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THE WEEKLY OF
BUSINESS AVIATION

DAVE COLLOGAN/EDITOR
KATHRYN BLEDSOE/ASSISTANT EDITOR
1156 15th STREET, N.W./WASHINGTON, D.C. 20005
PHONE: (202) 822-4600/TELEX: 89-2447

Vol. 39 No. 19 November 5, 1984 Page 145

INSIDE

FAA Revises ARO Procedures ..... Page 146
Near Midair Collisions Examined ..... Page 147
Cabin Safety Rules Adopted ..... Page 148
Business Aviation Briefs ..... Page 149
Marketplace ..... Page 152

CANADIAN GOVERNMENT MOUNTS EFFORT TO SELL CANADAIR, DEHAVILLAND

Canadian government last week announced plans to sell most of the enterprises controlled by the Canada Development Investment Corp. (CDIC), which include aircraft manufacturers Canadair and de Havilland Aircraft. Sinclair Stevens, industry minister in the country's new Conservative government, also announced that Joel Bell, who had been president and chief executive officer of CDIC, has been replaced by Paul Marshall, a businessman from Calgary, Alberta who is president and CEO of Westmin Resources Ltd. *(See related item on Page 149).*

A spokesman for Stevens said the preferred method of divestiture would be for one buyer to acquire the entire package of CDIC holdings. If that is not possible, the government would consider disposing of individual companies. In addition to the two aircraft manufacturers, CDIC owns or manages: Eldorado Nuclear, a uranium mining company; Teleglobe, an international telecommunications firm; Canada Development Corp., a holding company; and, some preferred shares in Massey-Ferguson Ltd., a farm equipment manufacturer.

In announcing the proposed sale, Stevens and other officials emphasized that they want to retain a viable airframe manufacturing industry in Canada and that any sale would be structured to insure the ability of the two companies to maintain their commitments to customers and suppliers.

Government Absorbed Canadair Losses

It was unclear last week what steps the government might take to encourage interest in the CDIC holdings, particularly the two aircraft concerns. Of the two, Canadair would appear to be in the most favorable shape for a takeover. While the company incurred enormous losses in development of the Challenger business jet line, the Liberal government put Canadair's finances in the black this year when it agreed to absorb some $1.35 billion in company debt *(BA, March 19/89)*. In addition to its business jet production, Canadair also manufactures the CL-215 water bomber and also does extensive subcontract work for other manufacturers. It posted a profit of just under $1 million for the first half of 1984.

G.S. (Gil) Bennett, president and CEO of Canadair, said last week that the financial restructuring "re-established the company as a self-sufficient, viable business organization ..." adding that "the company's existing product lines are profitable and the prospects for our development projects are bright."

De Havilland's business is primarily in the commuter/regional airline market and it does not have the advantage of significant subcontracts with other firms. The company posted losses of $265.1 million and $236.4 million (Canadian) respectively for the two most recent fiscal years. In addition, CDIC officials indicated earlier this year that the company would require additional government funding over the next several years *(BA, April 16/122)*. It is conceivable that as a condition of sale the government would agree to absorb de Havilland's losses for the past two years, similar to the arrangement provided for Canadair.

Decision To Sell Not Surprising

While the timing of last week's announcement is somewhat sooner than expected--coming less than two months after the Conservatives' landslide election victory--the decision itself is not surprising. The Canadian government acquired de Havilland in 1974 from Hawker Siddeley and Canadair in 1976 from General Dy-

(Continued on the following page)

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ISRAEL AIRCRAFT INDUSTRIES INTERNATIONAL has named three persons to new positions with the company: Itzchak Eyal, vice president-marketing; Yoseph Ravon, vice president-finance; and, Joseph Bica, vice president-technical services. Appointments were announced by Asher Bar Nir, president of IAI International, which is a subsidiary of Israel Aircraft Industries Ltd., Ben Gurion Airport, Israel.

* * *

E-SYSTEMS INC., Dallas, Tex., will host the Army Aviation Association of America's Second Annual Aircraft Survivability Equipment Symposium this week. Meeting will be held this Wednesday and Thursday (Nov. 7-8) at the Garland (Texas) Division of E-Systems and will feature discussions of new developments in active jamming and decoying equipment. Top level military and civilian officials are scheduled to participate.

* * *

HELICOPTER ASSOCIATION INTERNATIONAL is sponsoring a one-day government procurement seminar at HAI headquarters in Washington during the first week of December. Seminar will focus solely on the civil helicopter industry and will feature speakers from both the private sector and government. Cost to attend is $100. For more information, contact HAI at (202) 466-2420.

* * *

BENDIX GENERAL AVIATION AVIONICS DIVISION said Cessna Aircraft will offer the Bendix Series III integrated EFIS, comm/nav and radar systems as a factory approved option on Citation S/II and Citation III business jets. Bendix also said the same package will be available through Citation service centers as a retrofit installation on Citation 500 aircraft through S/N 274.

* * *

AMERICAN AEROSPACE INDUSTRIES INC. said 40 U.S. companies have booked a total of 13,000 square feet of space in the joint exhibit organized by AAI Inc. at the 1985 Paris Air Show, resulting in a sellout of available space. The company said it is now negotiating for additional space to accommodate other firms wishing to participate in the show. AAI joint exhibit will be located in International Hall 2. For more information, contact AAI at (914) 698-9385; Telex 996593.

* * *

DELIVERY OF THE LAST THREE-ENGINE TRISLANDER aircraft built by Pilatus Britten-Norman was recently made to the Botswana Defense Force. About 80 of the 17-passenger Trislanders were built before the manufacturer decided to concentrate on the piston-and turboprop-powered twin-engine models. More than 1,040 Islanders and Trislanders have been delivered since production began.

* * *

BEECH AEROSPACE SERVICES INC., a Beech aircraft subsidiary, said it was the successful bidder for a competitive contract from the U.S. Army for support of target missile flight operations. Contract, which has a potential net worth of over $4 million, covers operations at the White Sands and Ore Grande Missile Range complexes in New Mexico and the Fort Bliss complex in Texas for the next three years. Beech said that although certain operations dealing with missile targets have been contracted out previously, the BASI contract marks the first time that the U.S. Army Missile Command has competitively solicited total support for the full target missile operation.

* * *

AIRPORT AND AIRWAY TRUST FUND had a balance of $6.3 billion at the end of August, according to the latest Treasury Department report *(see chart on the back of this page)*. For the first 11 months of fiscal 1984, the government had collected over $2.8 billion in aviation user taxes and spent $1.2 billion from the trust fund for aviation-related projects.

* * *

TASK GROUP 3-1 of the FAA National Airspace Review Advisory Committee will hold a meeting to review the reorganized prototype of the Airman's Information Manual. Considerations will be made for content changes, additions or deletions. Content of materials to be included in an expanded section on aviation weather will be emphasized. Beginning Nov. 13, at 11 a.m., the meeting will be held at the FAA conference room 7A/B, 800 Independence Ave., SW, Washington, D.C. For more information call 426-3560.

151a

AIRPORT AND AIRWAY TRUST
Status as of August 31, 1984

	CURRENT MONTH	FISCAL YEAR TO DATE
I. BALANCE - BEGINNING OF PERIOD	6,149,057,594.81	4,787,453,189.49
II. RECEIPTS:		
A. Excise Taxes (Transferred from General Fund) :		
Any liquid fuel except gas	9,875,000.00	63,636,689.00
Tires used on aircraft	0.00	275,000.00
Tubes used on aircraft	0.00	31,000.00
Gasoline		
1. Commercial 9 cents tax	217,000.00	2,467,000.00
2. Non-commercial 9 cents tax	-378,000.00	21,721,794.00
3. Non-commercial 3 cents tax	-127,000.00	7,692,598.00
4. Transp by air,seats,berths,etc.	245,235,000.00	1,977,910,379.00
Use of international trav fac	9,545,000.00	72,213,527.00
Transp of property and cargo	16,504,000.00	119,147,418.00
Total Tax Receipts	280,871,000.00	2,265,095,405.00
B. Less Reimbursement to General Fund - Refund of Taxes and Estimated Tax Credits :		
1. Civil aircraft	3,450.00	471,539.00
2. Any liquid fuel except gas	120,630.00	738,047.00
3. Gasoline -Retailer's tax	0.00	581,703.00
Total Reimburse for Tax Refunds	124,080.00	-1,791,289.00
Net Tax Receipts	280,746,920.00	2,263,304,116.00
C. Interest on Investments	1,113,986.44	543,323,552.93
Net Receipts	281,860,906.44	2,806,627,668.93
III. EXPENDITURES :		
A. Federal Aviation Administration :		
1. Operations	-135.00	256,676,236.90
2. Grants-in-aid for airports	62,667,168.96	613,187,206.87
3. Facilities & equipment	23,469,213.36	238,842,175.26
4. Research engineering & development	10,758,784.97	130,804,990.36
B. NOAA weather services	-439.07	20,250,000.00
C. Interest on Refund of Taxes	280.00	296,621.00
Total Expenditures	96,894,873.22	1,260,057,230.39
IV. BALANCE - END OF PERIOD	6,334,023,628.03	6,334,023,628.03

STATEMENT OF FINANCIAL CONDITION

ASSETS :		
Undisbursed Balances:		
Airport & Airway Trust Fund	758.38	
Operations	3,763.10	
Grants-in-aid for Airports	17,541,193.47	
Facilities & Equipment	2,539,079.08	
Research Engineering & Development	501,834.00	
NOAA weather services	0.00	
		20,586,628.03
Investments :		
U.S. TREASURY CERTIFICATES OF INDEBTEDNESS :		
11-1/8% Maturing June 30, 1985	6,257,893,000.00	
11 % Maturing June 30, 1985	55,544,000.00	6,313,437,000.00
Total Assets		6,334,023,628.03
LIABILITIES:		0.00
EQUITY:		
Excess of Assets over Liabilities		6,334,023,628.03
Total Liabilities and Equity		6,334,023,628.03

Treasury Department Chart

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Vol. 39 No. 20 November 12, 1984 Page 153

INSIDE

GE Develops CT7 Modification ..... Page 154

IAM, Learjet Sign New Contract ..... Page 155

FAA Adopts New Helicopter Rules ... Page 156

October Shipments and Billings ..... Page 157

Business Aviation Briefs ..... Page 158

ELECTION RESULTS IN FEW CHANGES IN MAJOR AVIATION COMMITTEES

Results of last week's election, in which incumbents fared well, will mean very few changes in the leadership of key committees and subcommittees dealing with aviation matters. Major exception was the defeat of Rep. Elliott Levitas (D-Ga.), chairman of the investigations and oversight subcommittee of the Public Works and Transportation Committee. Levitas, who had served five terms in the House, was beaten by Republican Pat Swindall. Next in line for chairmanship of the oversight subcommittee would be Rep. James Oberstar (D-Minn.), who has been chairman of the subcommittee on economic development.

Reps. James Howard (D-N.J.) and Gene Snyder (R-Ky.), chairman and ranking Republican on the full Public Works Committee, were re-elected, as was Rep. Norman Mineta (D-Calif.), chairman of the Public Works aviation subcommittee. Reps. Dan Glickman (D-Kan.) and William Carney (R-N.Y.), chairman and ranking Republican of the Science and Technology subcommittee on transportation, aviation and materials, both won re-election. Reps. William Lehman (D-Fla.) and Lawrence Coughlin (R-Pa.), chairman and ranking Republican of the transportation appropriations subcommittee, will both return to the 99th Congress—Lehman was unopposed and Coughlin was re-elected.

On the Senate side, Sens. Nancy Kassebaum (R-Kan.) and James Exon (D-Neb.), chairman and ranking Republican on the Senate aviation subcommittee were both re-elected. Kassebaum, who has stated that her second term in the Senate will be her last, defeated her Democratic opponent by a margin of more than three-to-one.

NOV. 20 COMMENT DEADLINE SET ON CAB DUAL-DESIGNATOR RULE

Civil Aeronautics Board has set a Nov. 20 comment deadline on a proposal that would require airlines to give "reasonable and timely notice" to travel agents and prospective passengers when two or more airlines are using the same two-letter designator. The board said passengers deserve to know the actual identity of the airline that will provide service in cases, where, for example, commuters share a two-letter code with a larger carrier.

CAB rejected claims by some independent commuter airlines that code-sharing is inherently deceptive, and that cooperative arrangements between commuters and larger airlines should be discouraged. The board acknowledged, however, that passengers can be "deceived by code sharing in a variety of ways" unless there is adequate disclosure regarding the carrier identity and aircraft type. CAB did not propose a specific notice, but suggested that "it must reach the consumer as close as possible to the point of sale."

PROVINCETOWN-BOSTON SUBJECT OF MAJOR FAA INVESTIGATION

Provincetown-Boston Airline, one of the nation's largest and most successful regional airlines, is the subject of a major investigation by the Federal Aviation Administration regarding alleged deficiencies in the company's training, maintenance and flight following operations. The carrier and FAA officials confirmed the on-going investigation—which reportedly got underway in September—but refused to provide details pending completion of the FAA action.

FAA inspectors who had been working on the PBA investigation participated in a major meeting with

(Continued on the following page)

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BUSINESS/PERSONAL AIRCRAFT INDUSTRY – OCTOBER UNIT SHIPMENTS

		Oct. 84	Cal. Year
BEECH AIRCRAFT CORP.			
• Single-Engine			
BE-77	Skipper	0	0
BE-C23	Sundowner	0	4
BE-C24R	Sierra	0	2
BE-F33A	Bonanza	2	23
BE-V35B	Bonanza	0	5
BE-A36	Bonanza	2	82
BE-B36TC	Bonanza	1	30
• Multi-Engine			
BE-B55	Baron	0	3
BE-E55	Baron	0	5
BE-58	Baron	5	44
BE-58TC	Baron	0	0
BE-58P	Baron	2	26
BE-76	Duchess	0	0
BE-B60	Duke	0	0
BE-C99	Airliner	0	9
BE-C90-1	King Air	7	26
BE-F90-1	King Air	1	13
BE-B100	King Air	0	0
BE-200	Super King Air	6	30
BE-200C	Super King Air	0	1
BE-300	Super King Air	6	22
BE-200T	Super King Air	0	2
BE-1900C	Commuter	4	22
TOTAL		36	349
Manufacturers net billing – $45,984,100.70			
BRITISH AEROSPACE			
• Multi-Engine			
BAe	Jetstream 31	•	18
HS-748		0	3
BAe 146-100		0	1
BAe 146-200		0	5
HS-125-700	Model A	0	2
HS-125-700	Model B	0	5
HS-125-800	Model A	1	8
HS-125-800	Model B	2	4
TOTAL		3	46
PILATUS BRITTEN-NORMAN LTD.			
• Multi-Engine			
BN-2B	Islander	0	5
BN-2T	Islander	0	3
Mark III	Trislander	0	1
TOTAL		0	9
CANADAIR LIMITED			
• Multi-Engine			
CL-600	Challenger	•	2
CL-601	Challenger	•	14
TOTAL		•	16
CESSNA AIRCRAFT CO.			
• Single-Engine			
CE-152		18	79
CE-A152	Aerobat	0	1
CE-172	Skyhawk	9	127
CE-172	Cutlass	0	8
CE-172RG	Cutlass	5	39
CE-182	Skylane	3	56
CE-182	Turbo Skylane	0	6
CE-182RG	Skylane RG	0	22
CE-182RG	Turbo Skylane RG	2	21
CE-185	Skywagon	1	15
CE-U206	Stationair 6	0	44
CE-TU206	Turbo Stationair 6	1	38
CE-207	Stationair 8	1	16
CE-TU207	Turbo Stationair 8	0	2
CE-210	Centurion	1	27
CE-T210	Turbo Centurion	0	53
CE-P210	Pressurized Centur	5	18
CE-188	AgHusky	0	1
CE-188	AgTruck	0	5
• Multi-Engine			
CE-303	Crusader	5	47
CE-335		0	0
CE-340		0	10
CE-402		0	10
CE-404	Titan	0	0
CE-414	Chancellor	0	16
CE-421	Golden Eagle	0	11
CE-425	Conquest I	1	16
CE-441	Conquest II	1	8
CE-500	Citation I	0	4
CE-550	Citation II	3	33
CE-650	Citation III	2	42
CESSNA/REIMS AVIATION			
• Single-Engine			
CE-F152		0	8
CE-F152	Aerobat	0	0
CE-F172	Skyhawk	7	18
CE-FR172	Hawk XP	0	0
CE-F182	Skylane	0	0
CE-F182RG	Skylane RG	3	3
TOTAL		68	804
Manufacturers net billing – $27,461,340			
AVIONS-MARCEL DASSAULT			
• Multi-Engine			
AD-My.10	Falcon	0	0
AD-My.20	Falcon	0	0
AD-My.200	Falcon	3	10
AD-My.50	Falcon	1	13
TOTAL		4	23
DEHAVILLAND AIRCRAFT OF CANADA			
• Multi-Engine			
DHC-5		0	0
DHC-6		1	12
DHC-7		0	8
TOTAL		1	20
EMBRAER			
• Single-Engine			
EMB-200		0	0
EMB-201	Ipanema	1	14
EMB-710	Carioca (PA-28-235 Dakota)	0	0
EMB-711	Corisco (PA-28RT-201 Arrow)	2	14
EMB-712	Tupi (PA-28-181 Archer II)	1	7
EMB-720	Minuano (PA-32-310 Seratoga)	3	9
EMB-721	Sertanejo (PA-32R-301 Seratoga)	2	7
• Multi-Engine			
EMB-110P1	Bandeirante	0	5
EMB-110P1A	Bandeirante	0	4
EMB-121	Xingu	1	1
EMB-810D	Seneca II	5	25
EMB-820	Chieftain	0	2
TOTAL		15	86
FAIRCHILD AIRCRAFT CORP.			
• Multi-Engine			
Merlin III-C		0	2
Fairchild 300		0	1
Merlin IV-C		0	6
Metro III		3	14
Expediter		0	0
TOTAL		3	23
Manufacturers net billing – $7,061,780			
GATES-LEARJET			
• Multi-Engine			
LR-25D		1	1
LR-29		0	0
LR-35A		0	4
LR-36A		0	1
LR-55		1	13
TOTAL		2	19
GULFSTREAM AEROSPACE			
• Multi-Engine			
GR-1159A	Gulfstream III	3	29
AE-840	Turbo Commander	0	2
AE-900	Commander 900	0	6
AE-980		0	0
AE-1000		0	4
TOTAL		3	41
Manufacturers net billing – $36,385,000			

		Oct. 84	Cal. Year
ISRAEL AIRCRAFT INDUSTRIES			
• Multi-Engine			
1124	Westwind 1	1	3
1124A	Westwind 2	2	8
TOTAL		3	11
LAKE AIRCRAFT			
• Single-Engine			
LA-4-200EP		*	15
LA-250	Renegade	*	8
TOTAL		*	23
MAULE AIRCRAFT			
• Single-Engine			
M-5-180C		6	27
M-5-200		0	0
M-5-235C	Lunar Rocket	0	2
M-6-180C		0	0
M-6-235		0	5
TOTAL		6	34
MAULE AIR INC.			
• Single-Engine			
MX-735		1	1
M-7-235	Super Rocket	1	11
TOTAL		2	12
MITSUBISHI			
• Multi-Engine			
Solitaire		0	0
Marquise		1	2
Diamond		0	10
TOTAL		1	12
MOONEY AIRCRAFT CORP.			
• Single-Engine			
M-20J	201	7	69
M-20K	231	3	50
TOTAL		10	119

		Oct. 84	Cal. Year
PIPER AIRCRAFT CORP.			
• Single-Engine			
PA-38-112	Tomahawk	1	1
PA-28-161	Warrior	12	92
PA-28-181	Archer II	10	91
PA-28-236	Dakota	2	24
PA-28RT-201	Arrow IV	0	0
PA-28RT-201T	Turbo Arrow IV	0	17
PA-32-301	Saratoga	2	16
PA-32-301T	Turbo Saratoga	1	6
PA-32R-301	Saratoga SP	2	15
PA-32R-301T	Turbo Saratoga SP	0	18
PA-46-310P	Malibu	9	80
• Multi-Engine			
PA-31-310	Navajo	0	2
PA-31-325	Navajo C/R	0	5
PA-31-350	Chieftain	1	15
PA-31P-350	Mojave	0	13
PA-31T-501T	Cheyenne I	0	0
PA-31T-501T	Cheyenne IA	2	5
PA-31T-620	Cheyenne II	0	0
PA-31T2-620	Cheyenne II XL	0	4
PA-42-720	Cheyenne III	0	0
PA-42-720	Cheyenne IIIA	0	10
PA-42-1000	Cheyenne 400LS	1	2
PA-34-220T	Seneca III	12	72
PA-44-180	Seminole	1	4
PA-44-180T	Turbo Seminole	1	9
PA-601B	Aerostar	0	1
PA-601P	Aerostar	0	0
PA-602P	Aerostar	0	6
PA-700P	Aerostar	0	7
PA-T1020		1	1
PA-T1040		1	6
TOTAL		59	522
Manufacturers net billing – $11,497,304			
SHORT BROTHERS LTD.			
• Multi-Engine			
SBJ-CS-7	Skyvan	0	1
SD-3-30		1	4
SD-3-60		1	22
TOTAL		2	27
	SINGLE-ENGINE	127	1,338
	MULTI-ENGINE	91	821
	GRAND-TOTAL	218	2,159

UNIT SHIPMENTS COMPARATIVE TREND: 19 MANUFACTURERS

	October			Calendar Year to Date		
	1984	1983	1982	1984	1983	1982
Beech	36	20	26	349	328	452
British Aerospace	3	4	0	46	46	21
Britten-Norman	0	*	1	9	10	13
Canadair	*	*	*	16	*	*
Cessna	68	57	107	804	1,090	1,910
Dassault	4	0	7	23	22	51
De Havilland	1	1	*	20	10	*
Embraer	15	6(0)	7(7)	88	70(11)	155(64)
Fairchild	3	6	1	23	29	31
Gates	2	0	5	19	24	76
Gulfstream	3	5	8	41	51	70
Israel	3	0	*	11	7	18
Lake	*	3	2	23	21	17
Maule Aircraft	6	3	3	34	33	33
Maule Inc.	2	*	*	12	*	*
Mitsubishi	1	0	1	12	33	22
Mooney	10	12	14	119	115	151
Piper	59	40	82	522	509	868
Short	2	1	0	27	26	12
TOTAL	218	168	264	2,159	2,425	3,882

Parentheses show actual Embraer deliveries, not including aircraft kits.
* Figures not available.

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Vol. 39 No. 24 December 10, 1984 Page 185

INSIDE

ARSA Program Being Expanded .....Page 186
Piper Offering $100,000 Rebates .....Page 187
Helicopter Engine Rules Proposed .....Page 188
Business Aviation Briefs .....Page 189
Marketplace .....Page 192

NTSB INVESTIGATING POSSIBILITY OF STRUCTURAL FAILURE IN PBA CRASH

National Transportation Safety Board investigators Friday were checking the possibility that a structural failure may have caused the fatal crash of a Provincetown-Boston Airline EMB-110 Embraer Bandeirante shortly after takeoff from Jacksonville, Fla. on Thursday evening. While officials emphasized it was too early to draw any definite conclusions, they noted that the position of the aircraft and wreckage scatter pattern could be related to structural problems.

The aircraft, with two pilots and 11 passengers, departed Jacksonville at 6:15 p.m. Thursday enroute to Tampa. The aircraft reached an altitude of about 600 feet before it appeared to fall off to the right and began losing altitude. There was apparently no communication from the crew regarding any problems. The main portion of the fuselage crashed in a marshy area, about 1.5 miles from the airport in line with the extended runway centerline. Officials said the plane was upside down, with the nose pointed back toward the airport. The Bandeirante's horizontal stabilizer and tail cone were found about one-third of a mile closer to the airport than the main portion of the wreckage. Investigators said they had found a portion of one elevator and were searching for the remainder of the elevator assembly. The tail section components were to be sent back to NTSB headquarters in Washington for metallurgical analysis.

The crash occurred less than two weeks after PBA had resumed limited operations following FAA's revocation of its operating certificate in November for a series of safety violations. Working closely with FAA officials, a new PBA management team had managed to get most of its Cessna 402 fleet and some of its Bandeirantes back in operation when last week's accident happened. An FAA spokesman told *BA* Friday that the recertification effort had been "going real orderly and very well" and added that "we don't anticipate any stop or delay" in the recertification process. PBA had said it hoped to begin flying its larger Part 121 aircraft later this month following completion of recertification efforts.

Both pilots on the aircraft had received Bandeirante proficiency checks this month; Capt. Thomas Ashby on Dec. 1 and co-pilot Louis Fernandez on Dec. 4. Ashby was No. 2 on PBA's seniority list, having been with the carrier for 10 years. Weather at the time of the accident was clear, with visibility reported to be seven miles.

There are about 130 Bandeirantes in operation in the U.S. and last Thursday's accident was believed to be the first fatal accident in this country involving one of the Brazilian-built aircraft since it went into service. FAA issued an airworthiness directive last July after loose rivets had been found in the tail section of Bandeirantes operated by a commuter carrier *(BA, April 4, 1983/107)*. That directive, AD-83-14-09, designed "to preclude structural failure of the horizontal stabilizer front attachment and fuselage bulkhead 33," required operators to inspect their aircraft for loose rivets at regular intervals and eventually replace the rivets.

AMENDMENTS PROPOSED TO FAR PART 25 TRANSPORT AIRCRAFT STANDARDS

Federal Aviation Administration has proposed a wide-ranging series of changes in Part 25 of the *Federal Aviation Regulations* dealing with certification of transport category aircraft with special emphasis on airworthiness standards for small transport category planes used by regional air carriers. In a notice published last week, FAA said the proposed changes are necessary to: update the regulations for clarity and

(Continued on the following page)

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BUSINESS AVIATION BRIEFS

FEDERAL AVIATION ADMINISTRATION still hopes to complete work on its new crewmember flight time limits regulations before yearend, about one month later than originally anticipated *(BA, Sept. 17/89)*. New rules would then have to be reviewed by Transportation Department and Office of Management and Budget officials before FAA could implement them.

* * *

PIPER AIRCRAFT CORP. delivered its 100th single-engine Malibu on Nov. 28, almost one year to the day since deliveries of the new model began. Production of the Malibu is running at eight to 10 units per month and officials say backlog for the aircraft extends through June at the current production rate. Original base price of $275,000 has been raised to $300,000 for the 1985 models, boosting the average price when equipped to about $350,000.

* * *

TREASURY DEPARTMENT'S proposal to revamp federal tax laws, including elimination of the investment tax credit and extending depreciation periods *(BA, Dec. 3/177)*, would substitute a Real Cost Recovery System in place of the current Accelerated Cost Recovery System. Under RCRS, aircraft would be assigned to a new Class 3, which provides for a 12-year close-out period. Treasury said the close-out year "is not an estimate of the economic useful life of assets," but rather "would be the year . . . in which 15 percent of the inflation-adjusted original basis remains to be depreciated." RCRS would be effective for property purchased on or after Jan. 1, 1986, if the Treasury plan is enacted.

* * *

FEDERAL AVIATION ADMINISTRATION, in publishing a series of proposals for new regulations for helicopter powerplants, said it "estimates that there will be six new helicopters certificated by the year 2000." All but one of those are expected to be developed by major manufacturers employing in excess of 1,500 persons, FAA said.

* * *

PHH AVIATION SYSTEMS INC., Golden, Colo., said it has developed a computer program to help corporate flight department operators comply with the provisions of the Tax Reform Act of 1984, which requires detailed documentation about the persons carried on business aircraft and the purpose of the flight. PHH said the Passenger Movement and Flight Summary Reports available with its Operational Analysis System/91 program can detail essential information, such as dates, itineraries, passenger names and the reason for the flight, by individual aircraft. For more information, contact the company at 1726 Cole Blvd., Suite 200, Golden, Colo., 80401 or call (303) 279-8910.

* * *

ROBERT E. BREILING, vice president of SimuFlite Training International, has announced plans to form his own aviation consulting firm, Robert E. Breiling Associates, effective Jan. 1. Breiling, who is well known for his analyses of accident statistics in business and air carrier aviation, plans to market an in-depth analysis of such statistics, along with offering consulting services to the aviation insurance industry, aircraft manufacturers and corporate/business aircraft operators. Breiling also will continue as a consultant to SimuFlite, where he was one of the key figures in the startup and development of the simulator training firm. For more information, contact Breiling at (214) 456-8130.

* * *

AIRPORT AND AIRWAY TRUST FUND had a balance of $6.4 billion at the end of September, the latest figure available, according to the Treasury Department *see chart on the back of this page.*

* * *

EMERY AIR FREIGHT announced a public offering of $65 million in special facilities revenue bonds by the City of Dayton, Ohio. Proceeds from the bond issue will be used to retire an earlier bond issue of $50 million that was used to fund initial construction of Emery's air cargo distribution center at Dayton International Airport. Balance of the new issue will provide for further expansion of the facility, including a 164-foot ground control tower, a large building and one million square feet of additional taxiing area to accommodate larger aircraft.

189a

AIRPORT AND AIRWAY TRUST FUND
Status As Of Sept. 30, 1984

	CURRENT MONTH	FISCAL YEAR TO DATE
I. BALANCE - BEGINNING OF PERIOD	6,334,023,628.03	4,787,453,189.49
II. RECEIPTS:		
A. Excise Taxes (Transferred from General Fund) :		
Any liquid fuel except gas	6,583,000.00	70,219,689.00
Tires used on aircraft	0.00	275,000.00
Tubes used on aircraft	0.00	31,000.00
Gasoline		
1. Commercial 9 cents tax	225,000.00	2,692,000.00
2. Non-commercial 9 cents tax	2,375,000.00	24,096,794.00
3. Non-commercial 5 cents tax	792,000.00	8,484,598.00
4. Transp by air,seats,berths,etc.	203,526,000.00	2,181,436,379.00
Use of international trav fac	7,657,000.00	79,870,527.00
Transp of property and cargo	14,851,000.00	133,998,418.00
Total Tax Receipts	236,009,000.00	2,501,104,405.00
B. Less Reimbursement to General Fund - Refund of Taxes and Estimated Tax Credits :		
1. Civil aircraft	0.00	471,539.00
2. Any liquid fuel except gas	0.00	738,047.00
3. Gasoline -Retailer's tax	0.00	581,703.00
Total Reimburse for Tax Refunds	0.00	1,791,289.00
Net Tax Receipts	236,009,000.00	2,499,313,116.00
C. Interest on Investments	2,521,738.43	545,845,291.36
Net Receipts	238,530,738.43	3,045,158,407.36
III. EXPENDITURES :		
A. Federal Aviation Administration :		
1. Operations	-123.97	256,676,112.93
2. Grants-in-aid for airports	80,711,270.26	693,898,477.13
3. Facilities & equipment	28,843,569.38	267,685,744.64
4. Research engineering & development	15,413,880.38	146,218,870.74
B. NOAA weather services	6,750,000.00	27,000,000.00
C. Interest on Refund of Taxes	0.00	296,621.00
Total Expenditures	131,718,596.05	1,391,775,826.44
IV. BALANCE - END OF PERIOD	6,440,835,770.41	6,440,835,770.41

STATEMENT OF FINANCIAL CONDITION

ASSETS :		
Undisbursed Balances:		
Airport & Airway Trust Fund	496.81	
Operations	3,887.07	
Grants-in-aid for Airports	-740,076.79	
Facilities & Equipment	5,076,509.70	
Research Engineering & Development	2,792,953.62	
NOAA weather services	0.00	
		7,133,770.41
Investments :		
U.S. TREASURY CERTIFICATES OF INDEBTEDNESS :		
11-1/4% maturing June 30, 1985	236,009,000.00	
11-1/8% maturing June 30, 1985	6,197,693,000.00	6,433,702,000.00
Total Assets		6,440,835,770.41
LIABILITIES:		0.00
EQUITY:		
Excess of Assets over Liabilities		6,440,835,770.41
Total Liabilities and Equity		6,440,835,770.41

Treasury Department Chart

C9700-3

THE WEEKLY OF BUSINESS AVIATION

Vol. 39 No. 25 December 17, 1984 Page 193

INSIDE

FAA Acts on PT6 Icing ..... Page 194

Super 580 Interest Strong ..... Page 195

November Shipments and Billings ..... Page 197

Business Aviation Briefs ..... Page 198

Marketplace ..... Page 200

DAVE COLLOGAN/EDITOR
KATHRYN BLEDSOE/ASSISTANT EDITOR
1156 15th STREET, N.W./WASHINGTON, D.C. 20005
PHONE: (202) 822-4600/TELEX: 89-2447

BANDEIRANTE CRASH BAFFLES INVESTIGATORS

Crash of the Provincetown-Boston Airline Bandeirante Dec. 6 on takeoff from Jacksonville International Airport in Florida have government and industry safety investigators puzzled. A National Transportation Safety Board (NTSB) spokesman told *BA* at presstime that there is no evidence of any major pre-impact defect, metal fatigue or stress corrosion that would have caused components of the tail section to separate from the 19-passenger turboprop shortly after takeoff. Whatever the cause, he added, it "spun the (vertical) stabilizer around like a propeller." The accident—the first involving structural failure of an airline aircraft since the American Airlines DC-10 crash in Chicago on May 25, 1979—killed all 13 on board.

The aircraft was delivered to PBA in October 1981 and had only 5,800 hours on the airframe, according to Brazilian manufacturer Embraer. Newton Berwig, executive vice president of Fort Lauderdale-based Embraer Aircraft Corp., said the high-time Bandeirante in the U.S. has some 12,500 hours; another has logged 23,600 landings. Both aircraft are with Imperial Airlines in California. Berwig told *BA* the entire U.S. fleet of 140-plus Bandeirantes had been inspected subsequent to the accident with negative results. Only the usual minor cracks and occasional loose rivets were found. Berwig said there is no indication the problem is related to the finding of loose rivets on three Comair Bandeirantes in April 1983, said to be linked to a discontinued manufacturing procedure *(BA, April 4, 1983/107).*

Vertical Stabilizer "Sheared"

The NTSB spokesman said the aircraft's vertical stabilizer attach fitting—a component approximately three-eighths of an inch thick and four inches long—had "sheared" between the bulkhead and the bolt attach holes. "And I mean sheared," he declared. "You don't look for over-stress at 500 feet and 120 knots; you don't look for flutter at low airspeeds; and, you're not looking at wind shear with the wind only gusting to 15 knots," he added.

Both NTSB and Embraer officials expressed deep concern that an apparent cause of the accident has not been found. "The only thing we want is to put the finger on something, then let the chips fall," said another Embraer official. Key portions of the wreckage were taken to Washington, D.C. last week for further laboratory investigation. There had never been an accident or a known major incident involving the Bandeirante in the U.S.

REPEAL OF ITC, ACRS WOULD NOT BE RETROACTIVE

Capitol Hill sources are saying that there is no chance that any repeal of the 10-percent investment tax credit and the Accelerated Cost Recovery System (ACRS) would be retroactive to 1984 or even early 1985. That word comes as reports circulate throughout the general aviation industry that retail aircraft sales are suffering even further because of fear that they will ultimately not be sheltered by the ITC and ACRS provisions of the president's 1981 tax package.

Prior to 1981 the ACRS period was seven years. The 1981 act reduced that down to five years, but the administration's latest proposals would stretch it out to 12 years, which according to one source would mean a "dramatic increase in the cost of buying an airplane." The 10-percent ITC would be eliminated completely

(Continued on the following page)

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BUSINESS/PERSONAL AIRCRAFT INDUSTRY – NOVEMBER UNIT SHIPMENTS

		Nov. 84	Cal. Year
BEECH AIRCRAFT CORP.			
• Single-Engine			
BE-77	Skipper	0	0
BE-C23	Sundowner	0	4
BE-C24R	Sierra	0	2
BE-F33A	Bonanza	3	26
BE-V35B	Bonanza	0	5
BE-A36	Bonanza	9	88
BE-B36TC	Bonanza	4	34
• Multi-Engine			
BE-B55	Baron	1	4
BE-E55	Baron	0	5
BE-58	Baron	4	48
BE-58TC	Baron	0	0
BE-58P	Baron	3	29
BE-76	Duchess	0	0
BE-B60	Duke	0	0
BE-C99	Airliner	0	9
BE-C90-1	King Air	2	28
BE-F90-1	King Air	0	13
BE-B100	King Air	0	0
BE-300	King Air	2	2
BE-200	Super King Air	0	30
BE-C99	Commuter	1	1
BE-200C	Super King Air	0	1
BE-300	Super King Air	0	22
BE-200T	Super King Air	0	2
BE-1900C	Commuter	1	23
TOTAL		27	376
Manufacturers net billing – $15,892,329			
BRITISH AEROSPACE			
• Multi-Engine			
BAe	Jetstream 31	0	21
HS-748		1	4
BAe 146-100		0	1
BAe 146-200		1	6
HS-125-700	Model A	0	2
HS-125-700	Model B	1	6
HS-125-800	Model A	2	10
HS-125-800	Model B	0	4
TOTAL		5	54
PILATUS BRITTEN-NORMAN LTD.			
• Multi-Engine			
BN-2B	Islander	1	6
BN-2T	Islander	0	3
Mark III	Trislander	0	1
TOTAL		1	10
CANADAIR LIMITED			
• Multi-Engine			
CL-600	Challenger	*	2
CL-601	Challenger	*	14
TOTAL		*	16
CESSNA AIRCRAFT CO.			
• Single-Engine			
CE-152		1	80
CE-A152	Aerobat	0	1
CE-172	Skyhawk	37	164
CE-172	Cutlass	0	8
CE-172RG	Cutlass	1	40
CE-182	Skylane	9	65
CE-182	Turbo Skylane	1	7
CE-182RG	Skylane RG	1	23
CE-182RG	Turbo Skylane RG	2	23
CE-185	Skywagon	2	17
CE-U206	Stationair 6	6	50
CE-TU206	Turbo Stationair 6	4	42
CE-207	Stationair 8	0	16
CE-TU207	Turbo Stationair 8	0	2
CE-210	Centurion	0	27
CE-T210	Turbo Centurion	1	54
CE-P210	Pressurized Centurion	1	19
CE-188	AgHusky	0	1
CE-188	AgTruck	0	5
• Multi-Engine			
CE-303	Crusader	3	50
CE-335		0	0
CE-340		0	10
CE-402		0	10
CE-404	Titan	0	0
CE-414	Chancellor	0	16
CE-421	Golden Eagle	0	11
CE-425	Conquest I	(1)	16
CE-441	Conquest II	0	8
CE-500	Citation I	2	6
CE-550	Citation II	1	34
CE-650	Citation III	3	45
CESSNA/REIMS AVIATION			
• Single-Engine			
CE-F152		0	8
CE-F152	Aerobat	0	0
CE-F172	Skyhawk	1	19
CE-FR172	Hawk XP	0	0
CE-F182	Skylane	0	0
CE-F182RG	Skylane RG	0	3
TOTAL		76	880
Manufacturers net billing – $29,123,043			
AVIONS-MARCEL DASSAULT			
• Multi-Engine			
AD-My.10	Falcon	*	0
AD-My.20	Falcon	*	0
AD-My.200	Falcon	*	10
AD-My.50	Falcon	*	13
TOTAL		*	23
DEHAVILLAND AIRCRAFT OF CANADA			
• Multi-Engine			
DHC-5		1	1
DHC-6		2	14
DHC-7		2	10
DHC-8		6	6
TOTAL		11	31
EMBRAER			
• Single-Engine			
EMB-200		0	0
EMB-201	Ipanema	3	17
EMB-710	Carioca (PA-28-235 Dakota)	0	0
EMB-711	Corisco (PA-28RT-201 Arrow)	2	16
EMB-712	Tupi (PA-28-181 Archer II)	1	8
EMB-720	Minuano (PA-32-300 Seratoga)	0	9
EMB-721	Sertanejo (PA-32R-301 Seratoga)	1	8
• Multi-Engine			
EMB-110P1	Bandeirante	0	5
EMB-110P1A	Bandeirante	0	4
EMB-121	Xingu	0	1
EMB-810D	Seneca II	2	27
EMB-820	Chieftain	0	2
TOTAL		9	97
FAIRCHILD AIRCRAFT CORP.			
• Multi-Engine			
Merlin III-C		0	2
Fairchild 300		0	1
Merlin IV-C		0	3
Metro III		2	16
Expediter		0	0
TOTAL		2	22
Manufacturers net billing – $4,682,785			
GATES-LEARJET			
• Multi-Engine			
LR-25D		0	1
LR-29		0	0
LR-35A		2	6
LR-36A		1	2
LR-55		1	14
TOTAL		4	23
GULFSTREAM AEROSPACE			
• Multi-Engine			
GR-1159A	Gulfstream III	3	32
AE-840	Turbo Commander	0	2
AE-900	Commander 900	0	6

19?a

		Nov. 84	Cal. Year
AE-880		0	0
AE-1000		0	4
TOTAL		3	44
Manufacturers net billing – $23,886,000			
ISRAEL AIRCRAFT INDUSTRIES			
• Multi-Engine			
1124	Westwind 1	0	3
1124A	Westwind 2	1	9
TOTAL		1	12
LAKE AIRCRA			
• Single-Engine			
LA-4-200EP		0	15
LA-250	Renegade	2	10
TOTAL		2	25
Manufacturers net billing – $389,751			
MAULE AIR INC.			
• Single-Engine			
M-5-180C		2	29
M-5-200		0	0
M-5-235C	Lunar Rocket	0	2
M-6-180C		3	8
MX-735		0	1
M-7-235	Super Rocket	1	12
TOTAL		6	52
Manufacturers net billing – $275,207			
MITSUBISHI			
• Multi-Engine			
Solitaire		0	0
Marquise		0	2
Diamond		1	11
TOTAL		1	13
MOONEY AIRCRAFT CORP.			
• Single-Engine			
M-20J	201	12	81
M-20K	231	5	55
TOTAL		17	136

		Nov. 84	Cal. Year
PIPER AIRCRAFT CORP.			
• Single-Engine			
PA-38-112	Tomahawk	0	1
PA-28-161	Warrior	10	102
PA-28-181	Archer II	4	95
PA-28-236	Dakota	3	27
PA-28-201T	Turbo Dakota	1	1
PA-28RT-201	Arrow IV	0	0
PA-28RT-201T	Turbo Arrow IV	1	18
PA-32-301	Saratoga	4	20
PA-32-301T	Turbo Saratoga	0	6
PA-32R-301	Saratoga SP	3	18
PA-32R-301T	Turbo Saratoga SP	5	23
PA-46-310P	Malibu	10	90
• Multi-Engine			
PA-31-310	Navajo	0	2
PA-31-325	Navajo C/R	0	5
PA-31-350	Chieftain	0	15
PA-31P-350	Mojave	1	14
PA-31T-501T	Cheyenne I	0	0
PA-31T-501T	Cheyenne IA	0	5
PA-31T-620	Cheyenne II	0	0
PA-31T2-620	Cheyenne II XL	1	5
PA-42-720	Cheyenne III	0	0
PA-42-720	Cheyenne IIIA	3	13
PA-42-1000	Cheyenne 400LS	1	3
PA-34-220T	Seneca III	5	77
PA-44-180	Seminole	0	4
PA-44-180T	Turbo Seminole	0	9
PA-601B	Aerostar	0	1
PA-601P	Aerostar	0	0
PA-602P	Aerostar	0	6
PA-700P	Aerostar	4	11
PA-T1020		0	1
PA-T1040		0	6
TOTAL		56	578
Manufacturers net billing – $14,940,515			
SHORT BROTHERS LTD.			
• Multi-Engine			
SBJ-CS-7	Skyvan	0	1
SD-3-30		0	4
SD-3-60		1	23
TOTAL		1	28
	SINGLE-ENGINE	154	1,505
	MULTI-ENGINE	69	915
	GRAND-TOTAL	223	2,420

UNIT SHIPMENTS COMPARATIVE TREND: 18 MANUFACTURERS

	November			Calendar Year to Date		
	1984	1983	1982	1984	1983	1982
Beech	27	24	27	376	352	479
British Aerospace	5	2	2	54	48	25
Britten-Norman	1	1	1	10	13	14
Canadair	*	2	*	16	24	*
Cessna	76	53	95	880	1,141	2,005
Dassault	*	2	7	23	24	59
De Havilland	11	2	*	31	12	*
Embraer	9	9(4)	13(3)	97	79(28)	168(67)
Fairchild	2	2	5	22	31	36
Gates	4	2	8	23	26	84
Gulfstream	3	8	9	44	59	82
Israel	1	0	*	12	7	*
Lake	2	3	3	25	24	20
Maule Air Inc.	6	1	0	52	1	0
Mitsubishi	1	2	5	13	35	27
Mooney	17	18	17	136	133	168
Piper	56	67	83	578	576	941
Short	1	3	1	28	29	13
TOTAL	223	201	276	2,420	2,614	4,121

Parentheses show actual Embraer deliveries, not including aircraft kits.

* Figures not available.

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THE WEEKLY OF
BUSINESS AVIATION

DAVE COLLOGAN/EDITOR
KATHRYN BLEDSOE/ASSISTANT EDITOR
1156 15th STREET, N.W./WASHINGTON, D.C. 20005
PHONE: (202) 822-4600/TELEX: 89-2447

Vol. 40 No. 1 January 7, 1985 Page 1

INSIDE

PBA "Bandits" On Line ..... Page 2
NTSB Urges Updated Recorders ..... Page 3
Narco Offering Rebate Program ..... Page 4
Air Log Increases Gulf Rates ..... Page 5
Business Aviation Briefs ..... Page 6

FRINGE BENEFITS RULES RECEIVE FROSTY RECEPTION

Proposed and temporary regulations governing the taxation of fringe benefits associated with the non-business use of company aircraft, issued by the IRS last week, have left a deep chill across the business and corporate aviation community.

"It's absurd," declared General Aviation Manufacturers Association President Ed Stimpson. "It's harassment; they've come out with a nightmare." Added Joseph E. (Jeb) Burnside, the National Business Aircraft Association's manager-government relations, "These are clearly valuation methods that completely overstate the value (of such fringe benefits) to the extent that we view them punitive in nature."

The fringe-benefit measure is "temporary" because the IRS was required by the Tax Reform Act of 1984 to publish the regulations by the first of the year. But they are also in the form of a notice of proposed rulemaking, which enables the public to comment before they become final. Essentially, the rules place a taxable value on the fringe benefits associated with the use of company aircraft and/or empty aircraft seats for non-company purposes.

Hypothetical Yardstick

More specifically, it establishes multiples of a very complex formula--one previously used as a hypothetical yardstick for airline rate-making by the CAB, but discarded with deregulation--for determining that taxable value. It's called the Standard Industry Fare Level (SIFL), or "siffel" for short. With the Jan. 1 demise of the CAB, however, DOT will establish the SIFL for IRS, revising it every six months.

For the first six months of 1985, the SIFL is thus: a "terminal charge" (flat fee assessed each flight segment ostensibly to reflect wear and tear on airline terminals) of $27.05, plus 14.80 cents per mile for the first 500 (statute) miles of the trip, plus 11.28 cents per mile for miles between 501 and 1,500 miles, and 10.85 cents per mile for all miles over 1,500 miles. For a 2,000-mile flight, the value per airplane seat would be $268.10 (or $536.20 for the roundtrip).

Multiples Add Up

Now for the multiples:

- 125 percent of the SIFL rate for any flight by any non-key employe. A "key employe" is defined as any employe who is a five-percent owner or an officer of the company, or who, with respect to a particular trip, controls the use of the airplane. For the purposes of our 2,000-mile flight, the one-way value of the passenger seat for tax purposes would be placed at $335.13.
- 125 percent of the SIFL rate for a flight by a key employe--but only if there is a "primary business purpose" for the trip by the airplane. Entertaining employes or other individuals is not a business purpose, the rule states.
- 600 percent of the SIFL rate, or $1,608.60 for the one way trip ($3,217.20 roundtrip) over the 2,000-mile segment for a flight by a key employe if there is no "primary" business purpose for the airplane.

In all cases, persons, such as spouses, accompanying employes will be taxed to the employe at the same rates, which "are intended" to approximate airline fares of 100 percent coach and 300 percent first class respectively.

In a case in which a company airplane is used on a trip with no business purpose, the value would be

(Continued on the following page)

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NTSB URGES UPDATED FDR, CVR UNITS ON MILITARY AIRCRAFT – National Transportation Safety Board, as a result of investigations into two incidents involving Air Force airplanes transporting Vice President George Bush, has determined that the foil-type flight data recorders on board are obsolete and meet only minimum Federal requirements for older airplanes in the civil transport air carrier fleet.

In the first incident, which occurred Sept. 30, 1984, Air Force Two was climbing to cruise altitude and passed a general aviation airplane at less than the prescribed air traffic control vertical or lateral separation. Both airplanes were in instrument meteorological conditions and the pilots were responding to ATC direction. Precise circumstances leading to ATC operational error are under investigation. In the second incident, on Oct. 18, Air Force Two was in visual meteorological conditions when the pilots observed a general aviation airplane passing ahead from left to right. Evasive maneuvering was required by Air Force Two to avoid a collision. The airplanes involved were not in positive control airspace, and the general aviation airplane was not under positive control.

NTSB said the foil-type flight recorders, which are found on C-137B/C, a military version of the Boeing 707-153/323, and C-9, a military version of Douglas DC-9-30, as well as the involved Air Force C-137B, are mechanically complex and difficult to maintain and adjust for proper operation. The board also noted cockpit voice recorders aboard Air Force C-137 and C-9 airplanes are old and could limit government investigators in determining causes of accidents in which the aircraft might be involved.

As a result of the investigation NTSB recommended the Department of Defense equip all current and newly acquired fixed-wing and rotary-wing aircraft operated by the military departments which are used primarily to transport passengers, with state-of-the-art cockpit voice recorders and digital flight data recorders that will record with sufficient parameters for effective accident investigation, and place these recorders in the aircraft for maximum survival potential.

NORTHROP DEVELOPS ADVANCED THERMAL ANALYSIS METHOD – Northrop Corporation said it has developed a computerized thermal analysis method that may be the most advanced and cost effective in the aerospace industry. It said the method generates a mathematical model used to determine how best to protect various components from severe heat. The company said that to use the thermal model program, an engineer needs only to input a picture of the designed component on a computer monitor screen. The computer system then does all of the calculations required and generates the thermal model for analysis.

Cary E. Scheutz, a senior engineer in F-20 thermal and environmental control systems, said that developing the correct method for cooling an aircraft formerly took some time and effort. "With the new procedure, computer systems allow us to cut the time for that task by 95 percent," he said.

CAB SETS UP CONFIDENTIAL FINANCIAL REPORT FOR COMMUTERS – Civil Aeronautics Board, in adopting a final reporting rule on exemptions for air taxi operations, last week established a new confidential report to obtain information on operating revenues, operating expenses, scheduled passenger revenues, and net income from certificated airlines that operate only small aircraft. Confidential treatment was previously given to financial reports only if specifically requested by the airline. CAB also reduced to a minimum the reporting requirements for such airlines.

The board said the actions would provide Department of Transportation with information it needed for forecasting. Both organizations said inaccurate estimates could produce unreliable aviation and activity projections, leading to higher costs for the air transportation industry. CAB agreed with DOT's stated need for the financial data to support administration of aviation trust fund revenues and airport development funds. CAB ceased to exist Dec. 31 under the provisions of the Airline Deregulation Act of 1978. It is the first federal regulatory agency to do so.

FY85 BUDGET TAGS $4.8 BILLION FOR HELO PROGRAMS – The fiscal year 1985 appropriated Department of Defense budget includes $4.84 billion in readily identifiable helicopter programs. The figure does not include minor modifications, support equipment and facilities, and spare parts that approximately total an additional $1.5 billion. Distribution of the major programs is 66 percent for procurement; 22 percent for modification and 12 percent for research and development. A chart detailing the various helicopter systems by service and primary helicopter manufacturer can be found *on the back of this page.*

3a

FY 1985 APPROPRIATIONS BUDGET — HELICOPTER RELATED

SVCE / MANUF	US ARMY SYSTEM	$	US NAVY SYSTEM	$	USAF SYSTEM	$	TOTALS
AGUSTA	CH-47 (P)	110.0					P = 110.0 (100%) TOTAL = 110.0 (02%)
		110.0 (100%)					
BELL	AHIP (M)	204.4	AH-1T (P)	193.0			P = 217.3 (33%) M = 319.0 (48%) R = 118.8 (18%) TOTAL = 655.1 (13.5%)
	AH-1S (M)	90.0	TH-57 (P)	24.3			
	OH-58 (M)	4.0	H-1 (M)	15.8			
	UH-1 (M)	1.9	TH-57 (M)	.7			
	EH-1 (M)	2.2	JVX (R)*	94.3			
	AHIP (R)	24.5					
		327.0 (50%)		328.1 (50%)			
BOEING VERTOL	CH-47 (M)	432.0	H-46 (M)	157.5			M = 589.5 (86%) R = 94.3 (14%) TOTAL = 683.8 (14%)
			JVX (R)*	94.3			
		432.0 (63%)		251.8 (37%)			
HUGHES	AH-64 (P)	1246.8					P = 1246.8 (99%) R = 16.7 (01%) TOTAL = 1263.5 (26%)
	AH-64 (R)	16.7					
		1263.5 (100%)					
KAMAN			SH-2F (P)	65.8			P = 65.8 (100%) TOTAL = 65.8 (1%)
				65.8 (100%)			
SIKORSKY	EH-60A (P)	182.5	CH-53E (P)	233.1	H-60D (P)	6.0	P = 1326.7 (88%) M = 161.0 (11%) R = 14.5 (01%) TOTAL = 1502.2 (31%)
	UH-60 (P)	460.1	SH-60B (P)	433.0			
	UH-60 (M)	5.9	UH-60 (P)	12.0			
			H-53 (M)	44.4			
			H-3 (M)	110.7			
			CH-53E (R)	14.5			
		648.5 (43%)		847.7 (57%)			
OTHER	HELLFIRE (P)	225.0	PROPULSION (R)	10.0			P = 225.0 (40%) R = 334.8 (60%) TOTAL = 559.8 (12%)
	LHX (R)	48.6	OTHER (R)	47.4			
	PROPULSION (R)	24.5					
	OTHER (R)	204.3					
		502.4 (90%)		57.4 (10%)			
TOTALS	P =	2224.4 (69%)	P =	961.2 (31%)	P =	6.0 (0%)	P = 3192.0 (66%) M = 1069.1 (22%) R = 579.1 (12%) TOTAL = 4840.2
	M =	740.4 (69%)	M =	329.1 (31%)			
	R =	318.6 (55%)	R =	260.5 (45%)			
	TOTAL =	3283.4 (68%)	TOTAL =	1550.8 (32%)			

NOTES:
- P = PROCUREMENT
- M = MODIFICATIONS
- R = RESEARCH & DEVELOPMENT
- $ = IN MILLIONS
- * = JVX R&D SPLIT 50% TO BELL AND BOEING VERTOL (SIKORSKY SH-60B: IBM IS PRIME CONTRACTOR)

C9700-3

THE WEEKLY OF BUSINESS AVIATION

Vol. 40 No. 2 January 14, 1985 Page 9

INSIDE

GA Accident Rate Down in '84 . . . . . Page 10

American Central Resumes Service. . . .Page 11

DOC Predicts GA Sales Increase . . . . . .Page 12

December Shipments and Billings . . . Page 13

Business Aviation Briefs . . . . . Page 14

DAVE COLLOGAN/EDITOR
KATHRYN BLEDSOE/ASSISTANT EDITOR
1156 15th STREET, N.W./WASHINGTON, D.C. 20005
PHONE: (202) 822-4600/TELEX: 89-2447

GAMA SEES SLOW GROWTH IN '85

Manufacturers of general aviation aircraft turned the corner last year and slow, but consistent growth is seen for the next five years, the industry's trade group said last week. General Aviation Manufacturers Association (GAMA) President Ed Stimpson predicted that "1983 and 1984 will be remembered as the bottom of the slump. There will be slow months in early 1985, but '85 will be a good year." Although forecasting "steady improvement" during the next five years in aircraft shipments and billings, Stimpson would offer "no long-term projections," suggesting they've always been wrong in the past. "We're not looking for another year of 18,000 units in the near future," he told a Washington press conference.

Enduring the lingering effects of the 1981-1982 recession, the GA manufacturers reported total billings of just under its earlier $1.7 billion forecast for calendar 1984, a 15.6 percent increase over the previous year. Unit shipments continued to lag however, with a total of 2,438 falling 9.4 percent behind 1983's 2,691 shipments. Jets and turboprops were again the bright spots, combining for 83 percent of last year's dollar volume. Fifty-seven percent was accounted for by jets alone, deliveries of which were up 20 percent (171 units) over the previous year.

Tax Reform Proposal "Ominous"

Other bright spots, according to Stimpson, included an increase in business flying activity, regional/commuter aircraft sales and an active used-aircraft market. Used-aircraft sales traditionally rebound six months to a year ahead of those of new aircraft.

The GAMA forecast for 1985 calls for a dollar volume of between $1.8 and $1.9 billion based on the delivery of about the same number (2,438) of aircraft units. The industry faces several significant problems, however, said GAMA Chairman Frank Adams, who also is president of the Bendix (Allied Corp.) Aerospace Sector. The "most ominous," he said, is the Treasury Department's tax reform proposal that would eliminate the 10-percent investment tax credit (ITC) and stretch out the depreciation schedule (ACRS) for aircraft from five to 12 years. "Our industry has been sustained during these trying times by the ability of companies to invest in business aircraft. That demand would inevitably wane if the . . . ITC and ACRS were to be denied," he said *(BA, Dec. 17/193).*

Additional Concerns

Other concerns include pending Congressional action of the fiscal 1986 budget, which could impact the five-year authorization program for airport/airway modernization; product liability legislation, reintroduced in the 99th Congress, that establishes uniform standards to replace "widely disparate" state statutes in effect today and "restore some sanity in our claims courts;" and, unfair trade practices. "Unrecouped foreign development and production subsidies and subsidized export financing undermine our competitiveness both at home and abroad, and foreign tariff and non-tariff barriers deny us access to certain markets while our U.S. market is wide open," he said (GAMA's Stimpson is scheduled to join a U.S. trade mission to Brazil in February). Despite some major consolidations of plant and equipment among the major aircraft manufacturers and some significant losses over recent years, Stimpson said, "Our companies have made progress in returning to profitability. And this remains a major challenge for 1985."

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BUSINESS/PERSONAL AIRCRAFT INDUSTRY – DECEMBER UNIT SHIPMENTS

		Dec. 84	Cal. Year
BEECH AIRCRAFT CORP.			
• Single-Engine			
BE-77	Skipper	0	0
BE-C23	Sundowner	0	4
BE-C24R	Sierra	0	2
BE-F33A	Bonanza	3	29
BE-V35B	Bonanza	0	5
BE-A36	Bonanza	5	93
BE-B36TC	Bonanza	1	35
• Multi-Engine			
BE-B55	Baron	0	4
BE-E55	Baron	1	6
BE-56	Baron	5	53
BE-58TC	Baron	0	0
BE-58P	Baron	1	30
BE-76	Duchess	0	0
BE-B60	Duke	0	0
BE-C99	Airliner	0	9
BE-C90-1	King Air	2	30
BE-F90-1	King Air	2	15
BE-B100	King Air	5	5
BE-300	King Air	0	2
BE-200	Super King Air	1	31
BE-C99	Commuter	2	3
BE-200C	Super King Air	0	1
BE-300	Super King Air	0	22
BE-200T	Super King Air	0	2
BE-1900	Commuter	1	1
BE-1900C	Commuter	6	29
TOTAL		35	411
Manufacturers net billing – $43,518,492			
BRITISH AEROSPACE			
• Multi-Engine			
BAe	Jetstream 31	1	22
HS-748		4	8
BAe 146-100		0	1
BAe 146-200		0	6
HS-125-700	Model A	0	2
HS-125-700	Model B	0	6
HS-125-800	Model A	1	11
HS-125-800	Model B	0	4
TOTAL		6	60
PILATUS BRITTEN-NORMAN LTD.			
• Multi-Engine			
BN-2B	Islander	1	7
BN-2T	Islander	2	5
Mark III	Trislander	0	1
TOTAL		3	13
CANADAIR LIMITED			
• Multi-Engine			
CL-600	Challenger	2	4
CL-601	Challenger	1	17
TOTAL		3	21
CESSNA AIRCRAFT CO.			
• Single-Engine			
CE-152		6	86
CE-A152	Aerobat	0	1
CE-172	Skyhawk	24	188
CE-172	Cutlass	0	8
CE-172RG	Cutlass	0	40
CE-182	Skylane	12	77
CE-182	Turbo Skylane	1	8
CE-182RG	Skylane RG	0	23
CE-182RG	Turbo Skylane RG	1	24
CE-185	Skywagon	5	22
CE-U206	Stationair 6	2	52
CE-TU206	Turbo Stationair 6	2	44
CE-207	Stationair 8	1	17
CE-TU207	Turbo Stationair 8	0	2
CE-210	Centurion	2	29
CE-T210	Turbo Centurion	2	56
CE-P210	Pressurized Centurion	0	19
CE-188	AgHusky	0	1
CE-188	AgTruck	0	5
• Multi-Engine			
CE-303	Crusader	15	65
CE-335		0	0
CE-340		1	11
CE-402		1	11
CE-404	Titan	0	0
CE-414	Chancellor	0	16
CE-421	Golden Eagle	0	11
CE-425	Conquest I	2	18
CE-441	Conquest II	3	11
CE-500	Citation I	3	9
CE-550	Citation II	8	42
CE-650	Citation III	5	50
CESSNA/REIMS AVIATION			
• Single-Engine			
CE-F152		0	8
CE-F152	Aerobat	0	0
CE-F172	Skyhawk	1	20
CE-FR172	Hawk XP	0	0
CE-F182	Skylane	1	1
CE-F182RG	Skylane RG	0	3
TOTAL		98	978
Manufacturers net billing – $74,628,095			
AVIONS-MARCEL DASSAULT			
• Multi-Engine			
AD-My.10	Falcon	1	1
AD-My.20	Falcon	1	1
AD-My.200	Falcon	0	10
AD-My.50	Falcon	0	13
TOTAL		2	25
DEHAVILLAND AIRCRAFT OF CANADA			
• Multi-Engine			
DHC-5		0	1
DHC-6		0	14
DHC-7		1	11
DHC-8		1	7
TOTAL		2	33
EMBRAER			
• Single-Engine			
EMB-200		0	0
EMB-201	Ipanema	1	18
EMB-710	Carioca (PA-28-235 Dakota)	0	0
EMB-711	Corisco (PA-28RT-201 Arrow)	4	20
EMB-712	Tupi (PA-28-181 Archer II)	0	8
EMB-720	Minuano (PA-32-310 Seratoga)	2	11
EMB-721	Sertanejo (PA-32R-301 Seratoga)	0	8
• Multi-Engine			
EMB-110P1	Bandeirante	0	5
EMB-110P1A	Bandeirante	0	4
EMB-121	Xingu	0	1
EMB-810D	Seneca II	5	32
EMB-820	Chieftain	0	2
TOTAL		12	109
FAIRCHILD AIRCRAFT CORP.			
• Multi-Engine			
Merlin III-C		0	2
Fairchild 300		0	1
Merlin IV-C		0	3
Metro III		7	23
Expediter		0	0
TOTAL		7	29
Manufacturers net billing – $16,713,073			
GATES-LEARJET			
• Multi-Engine			
LR-25D		2	3
LR-29		0	0
LR-35A		6	12
LR-36A		0	2
LR-55		2	16
TOTAL		10	33
GULFSTREAM AEROSPACE			
• Multi-Engine			
GR-1159A	Gulfstream III	6	38
AE-840	Turbo Commander	0	2
AE-900	Commander 900	0	6
AE-980		0	0

13a

		Dec. 84	Cal. Year
AE-1000		0	4
TOTAL		6	50
Manufacturers net billing – $72,185,000			
ISRAEL AIRCRAFT INDUSTRIES			
• Multi-Engine			
1124	Westwind 1	1	4
1124A	Westwind 2	3	12
TOTAL		4	16
LAKE AIRCRAFT			
• Single-Engine			
LA-4-200EP		1	16
LA-250	Renegade	3	13
TOTAL		4	29
Manufacturers net billing – $607,021			
MAULE AIR INC.			
• Single-Engine			
M-5-180C		4	33
M-5-200		0	0
M-5-235C	Lunar Rocket	0	2
M-6-180C		2	10
MX-735		1	2
M-7-235	Super Rocket	5	17
TOTAL		12	64
Manufacturers net billing – $536,239			
MITSUBISHI			
• Multi-Engine			
Solitaire		0	0
Marquise		1	3
Diamond		1	12
TOTAL		2	15
MOONEY AIRCRAFT CORP.			
• Single-Engine			
M-20J	201	10	91
M-20K	231	5	60
TOTAL		15	151
PIPER AIRCRAFT CORP.			
• Single-Engine			
PA-38-112	Tomahawk	0	1
PA-28-161	Warrior	8	110
PA-28-181	Archer II	17	112
PA-28-236	Dakota	0	27
PA-28-201T	Turbo Dakota	0	1
PA-28RT-201	Arrow IV	5	5
PA-28RT-201T	Turbo Arrow IV	0	18
PA-32-301	Saratoga	3	23
PA-32-301T	Turbo Saratoga	1	7
PA-32R-301	Saratoga SP	4	22
PA-32R-301T	Turbo Saratoga SP	5	28
PA-46-310P	Malibu	10	100
• Multi-Engine			
PA-31-310	Navajo	0	2
PA-31-325	Navajo C/R	0	5
PA-31-350	Chieftain	2	17
PA-31P-350	Mojave	3	17
PA-31T-501T	Cheyenne I	0	0
PA-31T-501T	Cheyenne IA	1	6
PA-31T-620	Cheyenne II	2	2
PA-31T2-620	Cheyenne II XL	0	5
PA-42-720	Cheyenne III	1	1
PA-42-720	Cheyenne IIIA	2	15
PA-42-1000	Cheyenne 400LS	5	8
PA-34-220T	Seneca III	8	85
PA-44-180	Seminole	0	4
PA-44-180T	Turbo Seminole	2	11
PA-601B	Aerostar	0	1
PA-601P	Aerostar	1	1
PA-602P	Aerostar	0	6
PA-700P	Aerostar	6	17
PA-T1020		0	1
PA-T1040		0	6
TOTAL		86	664
Manufacturers net billing – $29,404,216			
SHORT BROTHERS LTD.			
• Multi-Engine			
SBJ-CS-7	Skyvan	1	2
SD-3-30		0	4
SD-3-60		6	29
TOTAL		7	35
	SINGLE-ENGINE	160	1,685
	MULTI-ENGINE	154	1,071
	GRAND-TOTAL	314	2,736

UNIT SHIPMENTS COMPARATIVE TREND: 18 MANUFACTURERS

	December			Calendar Year to Date		
	1984	1983	1982	1984	1983	1982
Beech	35	50	49	401	402	526
British Aerospace	6	8	3	60	56	28
Britten-Norman	3	7	2	13	20	18
Canadair	3	3	*	21	27	*
Cessna	98	77	135	978	1,216	2,140
Dassault	2	1	7	25	25	66
De Havilland	2	0	*	33	12	*
Embraer	12	19	13	109	98	181
Fairchild	7	15	13	29	39	49
Gates	10	19	15	33	45	99
Gulfstream	6	9	*	50	68	88
Israel	4	11	*	16	21	18
Lake	4	4	*	29	28	20
Maule Air Inc.	12	1	*	64	2	0
Mitsubishi	2	8	16	15	43	43
Mooney	15	18	20	151	151	188
Piper	86	86	102	664	660	1,043
Short	7	5	2	35	34	15
TOTAL	314	342	379	2,736	2,981	4,563

* Figures not available.

16a

AIRPORT AND AIRWAY TRUST FUND
Status as of Oct. 31, 1984

	CURRENT MONTH	FISCAL YEAR TO DATE
I. BALANCE - BEGINNING OF PERIOD	6,440,835,770.41	6,440,835,770.41
II. RECEIPTS:		
A. Excise Taxes (Transferred from General Fund) :		
Any liquid fuel except gas	7,000,000.00	7,000,000.00
Tires used on aircraft	0.00	0.00
Tubes used on aircraft	0.00	0.00
Gasoline		
1. Commercial 9 cents tax	232,000.00	232,000.00
2. Non-commercial 9 cents tax	2,492,000.00	2,492,000.00
3. Non-commercial 3 cents tax	831,000.00	831,000.00
4. Transp by air,seats,berths,etc.	203,000,000.00	203,000,000.00
Use of international trav fac	8,000,000.00	8,000,000.00
Transp of property and cargo	15,000,000.00	15,000,000.00
Total Tax Receipts	236,555,000.00	236,555,000.00
B. Less Reimbursement to General Fund - Refund of Taxes and Estimated Tax Credits :		
1. Civil aircraft	0.00	0.00
2. Any liquid fuel except gas	0.00	0.00
3. Gasoline -Retailer's tax	0.00	0.00
Total Reimburse for Tax Refunds	0.00	0.00
Net Tax Receipts	236,555,000.00	236,555,000.00
C. Interest on Investments	3,111,531.31	3,111,531.31
Net Receipts	239,666,531.31	239,666,531.31
III. EXPENDITURES :		
A. Federal Aviation Administration :		
1. Operations	-79.95	-79.95
2. Grants-in-aid for airports	81,293,109.92	81,293,109.92
3. Facilities & equipment	25,905,361.20	25,905,361.20
4. Research engineering & development	16,745,706.34	16,745,706.34
B. NOAA weather services	0.00	0.00
C. Interest on Refund of Taxes	0.00	0.00
Total Expenditures	123,944,097.51	123,944,097.51
IV. BALANCE - END OF PERIOD	6,556,558,204.21	6,556,558,204.21

ASSETS :		
Undisbursed Balances:		
Airport & Airway Trust Fund	28.12	
Operations	3,967.02	
Grants-in-aid for Airports	-18,253,186.71	
Facilities & Equipment	-2,451,851.50	
Research Engineering & Development	-267,752.72	
NOAA weather services	0.00	
		-20,968,795.79
Investments :		
U.S. TREASURY CERTIFICATES OF INDEBTEDNESS :		
11/1-4% maturing June 30, 1985	236,009,000.00	
11/1-8% maturing June 30, 1985	6,104,963,000.00	
11/3-8% maturing June 30, 1985	236,555,000.00	6,577,527,000.00
Total Assets		6,556,558,204.21
LIABILITIES:		0.00
EQUITY:		
Excess of Assets over Liabilities		6,556,558,204.21
Total Liabilities and Equity		6,556,558,204.21

Treasury Department Chart

THE WEEKLY OF BUSINESS AVIATION

Vol. 40 No. 3 January 21, 1985 Page 17

INSIDE

FAA Proposes New CVR, FDR Rules . . Page 18

Strong Commuter Growth Forecast . . . .Page 19

Frontier Commuter Shuts Down . . . . . Page 20

Business Aviation Briefs . . . . . .Page 21

Marketplace . . . . . .Page 24

DAVE COLLOGAN/EDITOR
KATHRYN BLEDSOE/ASSISTANT EDITOR
1156 15th STREET, N.W./WASHINGTON, D.C. 20005
PHONE: (202) 822-4600/TELEX: 89-2447

GULFSTREAM DISCONTINUES PRODUCTION OF COMMANDER TURBOPROP LINE

Gulfstream Aerospace Corp., having found no sign of improvement in the depressed turboprop market, announced Thursday that it has permanently discontinued production of its three turboprop models, effective at the end of 1984. Production of new turboprop units had actually ended in November, but Gulfstream's board of directors recently decided to terminate the program.

Gulfstream said it will continue to support parts, service and warranty for the Commander fleet, which includes some 3,200 twin-engine piston- and turbine-powered units, from the Oklahoma City factory and through its network of 57 authorized service centers. When the current inventory of 37 Commander 840, 980 and 1000 models, mostly 1000s, is sold there will no longer be any need for the company's dealer/distributor network because Gulfstream's other products are sold factory direct. That dealer network includes 12 retail outlets and six distributors in the U.S., one retail outlet in Canada and some 34 dealer/distributor operations in the rest of the world.

Gulfstream began laying off employes at Oklahoma City last year and had 576 on the payroll at year-end, with nearly twice that many on indefinite layoff. Some of those laid off are expected to be recalled before long to perform subassembly work for the Gulfstream III and IV business jet line in Savannah, Ga. and to work on the company's new Peregrine single-engine, fanjet-powered aircraft, which will be built, marketed and supported by the Oklahoma facility. The company said it has received some 4,000 inquiries about the Peregrine in the last 18 months, has received deposits for 40 aircraft and has signed firm contracts for 21 aircraft.

Despite a loss estimated at 67-71 cents per share as a result of writing off the Commander operation, Gulfstream Chairman Allen E. Paulson said he expects the company will report 1984 earnings of $1.46 to $1.50 per share. Gulfstream's sales volume for the year was slightly over $600 million, including 37 Gulfstream IIIs and 21 Commanders.

ITC INVESTIGATING U.S. BUSINESS, COMMUTER AIRCRAFT INDUSTRY

U.S. International Trade Commission has launched an investigation of the competitiveness of the U.S. commuter and business aircraft industries. The investigation, which is expected to be completed this fall, was initiated by ITC and "will assess the impact of the growing competition from imports on the U.S. commuter and business aircraft markets and examine the steps taken in response to this increased competition." As part of the investigation, ITC personnel are expected to visit aircraft manufacturing facilities in the United Kingdom, France and Brazil. Aircraft to be studied include business/corporate models and the full range of commuter/regional equipment up to and including the BAe 146.

ITC is soliciting information and comments from interested parties and has set a July 25 deadline for responses. For more information, write to Deborah Ladomirak at the ITC, 701 E St. N.W., Washington, D.C. 20436 or call (202) 523-0131.

FAIRCHILD ESTABLISHES $50 MILLION RESERVE FUND FOR SF340

Fairchild Industries Inc., faced with higher than expected production costs on the 35-seat SF340 com-

(Continued on the following page)

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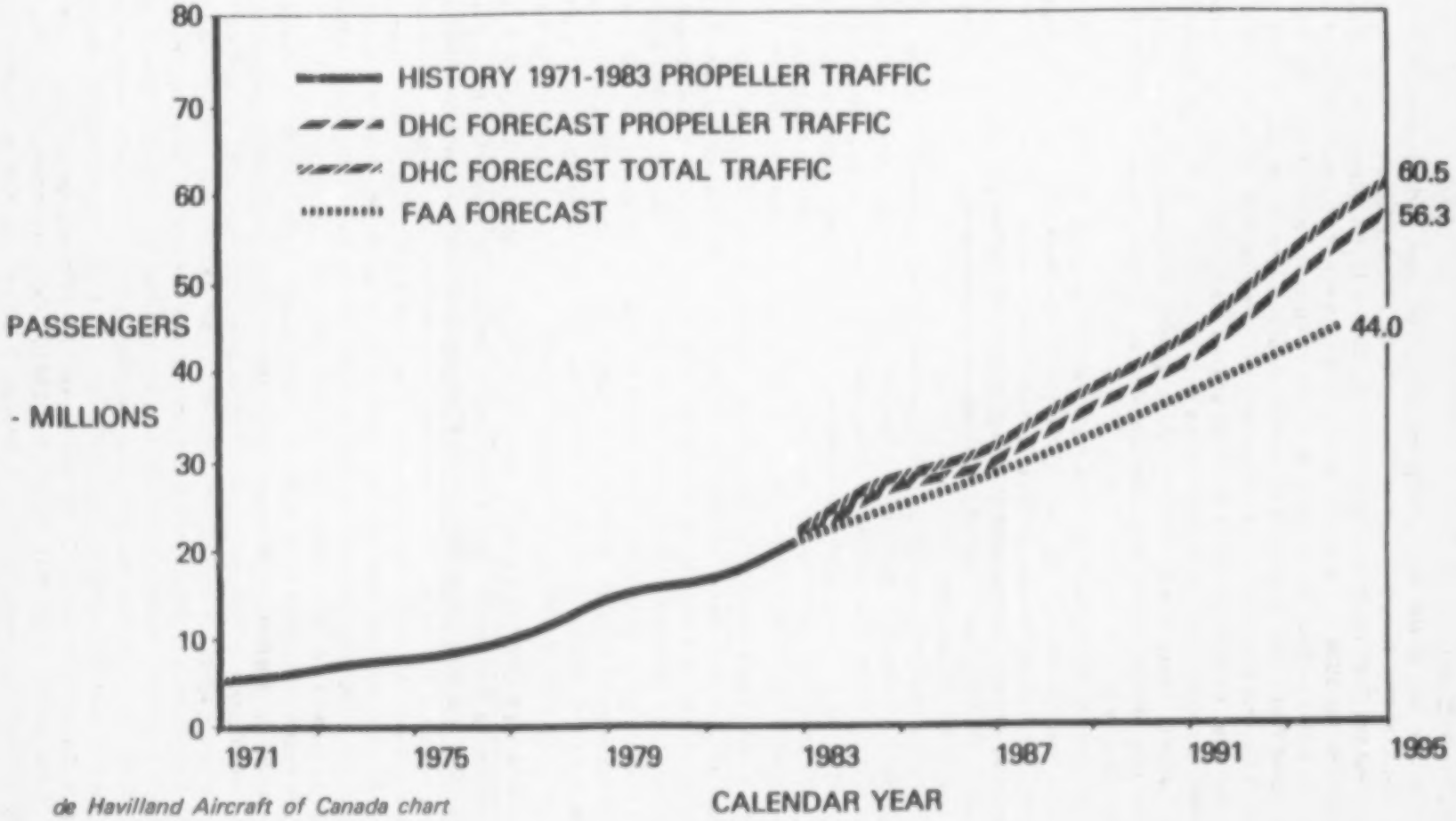
U.S. Regional Airlines

Enplaned Passengers History and Forecast, 1971 to 1995



de Havilland Aircraft of Canada chart

FORECAST CALLS FOR STRONG REGIONAL CARRIER GROWTH THROUGH 1995 – In a presentation delivered last week to the Transportation Research Board, Arthur Toplis, marketing manager of de Havilland Aircraft of Canada, forecast strong growth for the next 10 years for U.S. regional airlines. Toplis predicted that by 1995 U.S. regional airlines will be enplaning approximately 60 million passengers per year, 56 million in propellor driven aircraft and four million in jets, an overall average annual growth of 8.9 percent. Revenue passenger miles also will increase from the 1983 level of 3.2 billion to 11.4 billion in 1995, an average annual rate of 11.2 percent.

Fleet composition is also expected to change due to large numbers of new 20-39-passenger and over 40-passenger airplanes in the market. As compared to the 147 aircraft in service in 1983, there will be some 750 units of 20-39-seat aircraft by 1995. Over 40 and 15-19 passenger classes will also grow, while under 15 passenger aircraft will decline to slightly more than 200, as compared to approximately 569 in 1983 *(see charts on the back of Pages 18-20).*

AIR MIDWEST, SKYWAYS MERGER COMPLETED – Merger between Air Midwest of Wichita, Kan. and Scheduled Skyways of Fayetteville, Ark. was completed last week when Skyways shareholders approved the action. Skyways will now be operated as a wholly owned subsidiary of Air Midwest and will be called Air Midwest Skyways. Calvin C. Hermann will continue to serve as chairman of the board of Air Midwest Inc., with Robert Shults being elected chairman of the subsidiary corporation. Both companies will be administered by Gary M. Adamson, president and chief executive officer and John S. Myers, vice president and chief financial officer. Michael G. Freeman continues as vice president-aircraft operations for Air Midwest and also was named vice president and chief operating officer of the subsidiary.

AIR FORCE GROUNDS CH/HH-53 HELICOPTERS – The Air Force grounded its 43 CH/HH-53B, C and H helicopters last week so it can devise the carry out improved inspections of their tail rotor gearboxes, an Air Force spokesman said. The action followed the crash last Tuesday of an HH-53 on the deck of a tanker in the Pacific Ocean about 560 miles north of Hickam AFB, Hawaii. The helicopter was based at Hickam. Witnesses to the crash reported a tail rotor failure, and the tail rotor had been found to have been a factor in an earlier H-53 crash, last November. The Air Force reduced the time between inspections following the November accident and now will improve inspections.

A service spokesman said the tail rotor gearbox is inspected with a magnifying glass under current procedures. If the visual inspection indicates that cracks may be present, a dye penetrant is used. The spokesman said an improved inspection procedure will be devised and applied to the grounded aircraft before they are restored to flight. Repairs will be made if necessary. The spokesman said the Air Force expects to complete the inspections within about 30 days. He noted that the cause of Tuesday's crash is under investigation.

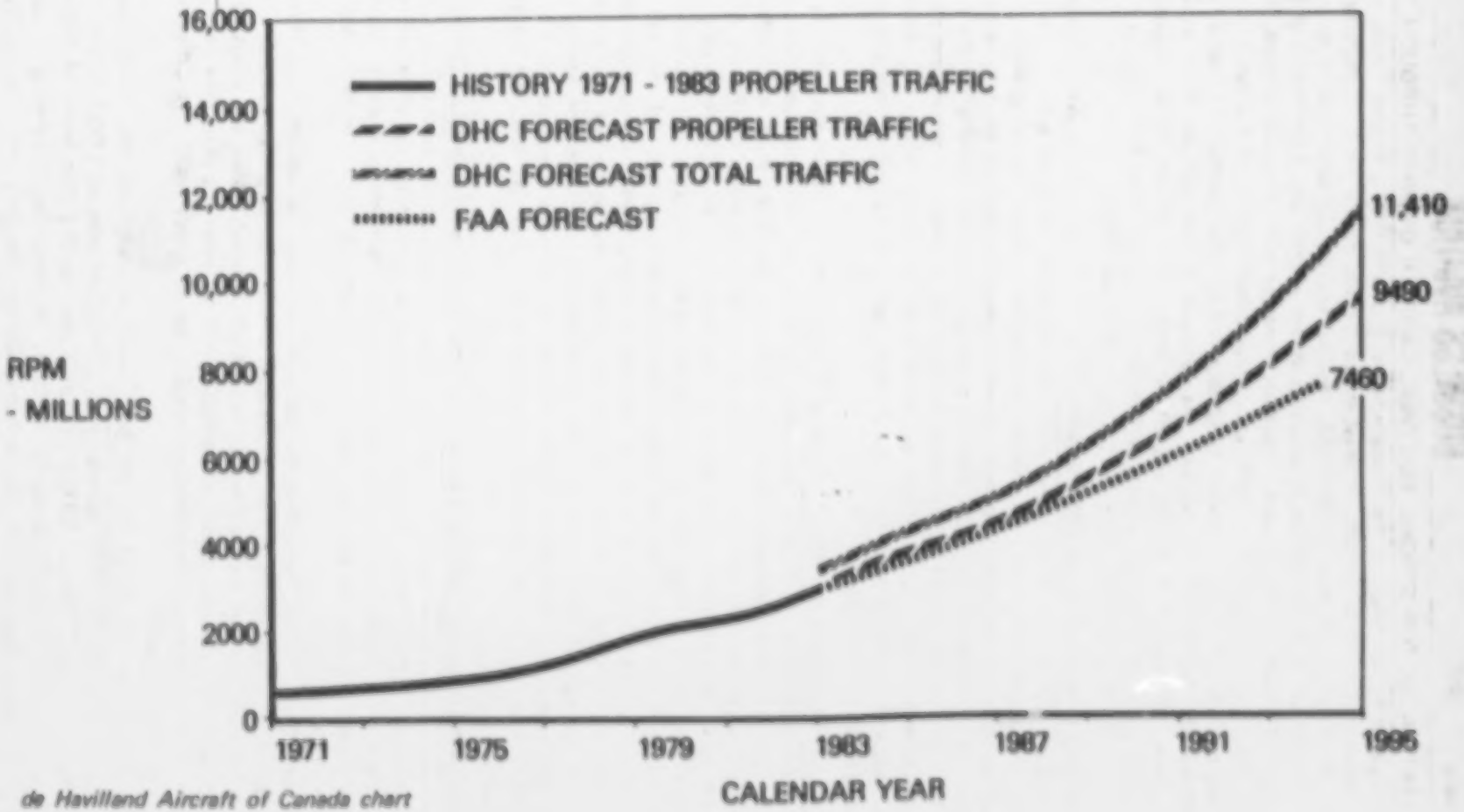
CESSNA 340 CRASHES, THREE KILLED – Three people were killed last Thursday when their twin-engine Cessna 340 crashed during a snowstorm into the parking lot of the East Tennessee State University Memorial Center Sports Complex. According to authorities, the plane was en route from Cincinnati, where the South Carolina basketball team played Wednesday night, to Columbia, S.C., when it crashed nose first, shortly before 1 a.m. Team physician Emmett Lunceford was identified as one of the victims

Roger Myers, Federal Aviation Administration spokesman in Atlanta, said that the aircraft was being worked by FAA controllers at the Atlanta Center and the pilot "advised he was having engine trouble and had shut one engine down." Impact of the crash ripped the wings from the plane and the craft burst into flames. Local authorities said it appeared the pilot may have mistaken a flashing red light on the Veterans Administration Hospital for an airport light. Tri-Cities Airport was closed because of heavy snowfall.

BEECH SALES UP 12.7 PERCENT IN '84 – Beech Aircraft Corp. this month reported a 12.7 percent hike in sales for the 1984 calendar year. Unaudited sales of $723.5 million topped the previous year's $641.9 million. Sales of $215.6 million in the fourth period were the highest since the $242-million level reached in the final quarter of 1981. Although Beech earnings are consolidated in with those of its parent Raytheon Co., the company did say that they were affected by continued research and development throughout the year on the Starship program.

U.S. Regional Airlines

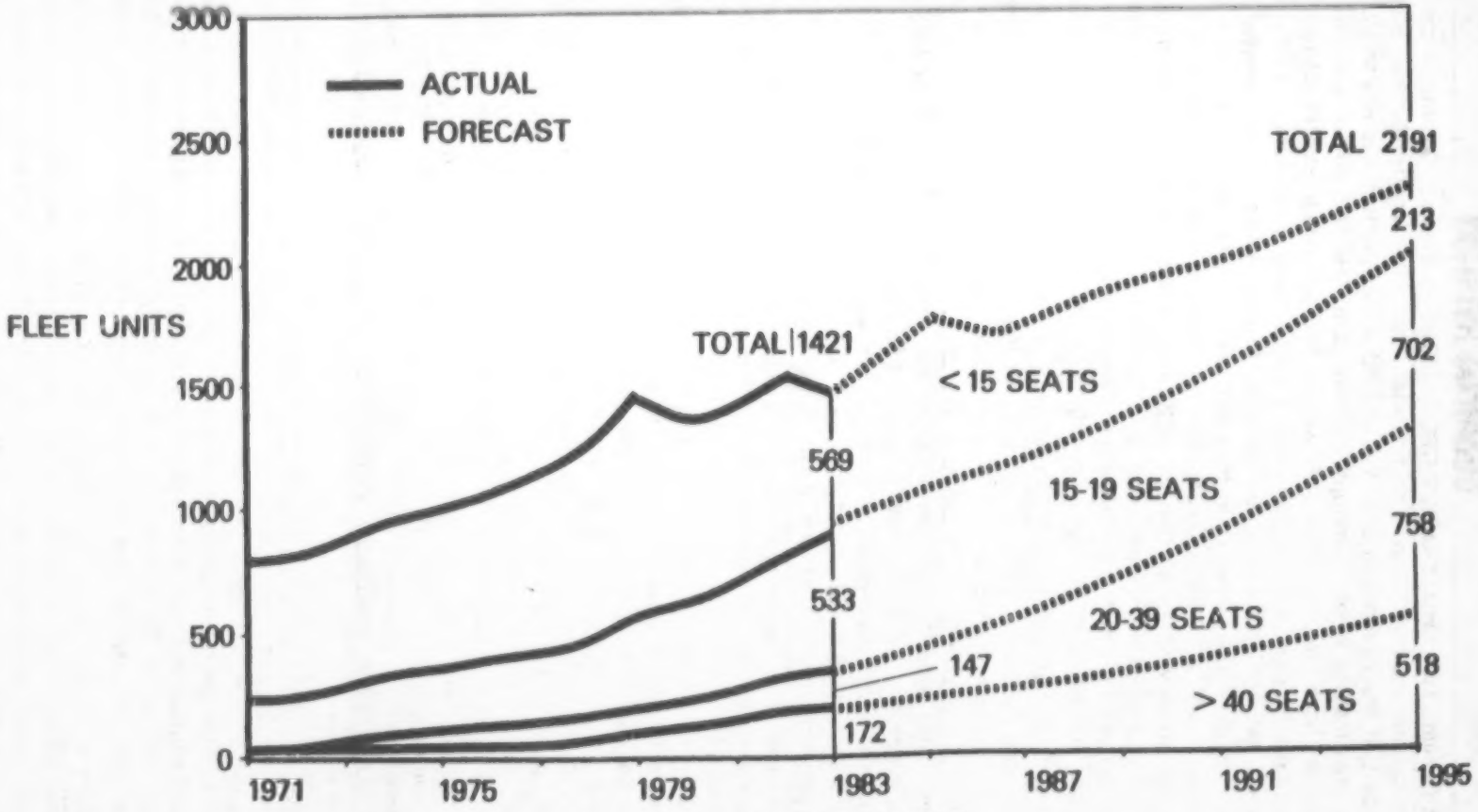
RPM History and Forecast, 1971 to 1995



de Havilland Aircraft of Canada chart

U.S. Regional Airlines

Actual and Forecast Fleet, Propeller-driven Aircraft, 1971 to 1995



de Havilland Aircraft of Canada chart

THE WEEKLY OF
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DAVE COLLOGAN/EDITOR
KATHRYN BLEDSOE/ASSISTANT EDITOR
1156 15th STREET, N.W./WASHINGTON, D.C. 20005
PHONE: (202) 822-4600/TELEX: 89-2447

Vol. 40 No. 4 January 28, 1985 Page 25

INSIDE

Brockway Discussing Acquisitions .... Page 26

FAA Weather Data Criticized .....Page 27

Paris Exhibit Space Going Fast .....Page 28

De Havilland President Named ..... Page 29

Business Aviation Briefs .....Page 30

CSX SELLING BECKETT FBO CHAIN TO AERO SERVICES INTERNATIONAL

CSX Corp. and Aero Services International Inc. announced Thursday they have signed a letter of intent for the sale of CSX's Beckett Aviation Inc. to Aero Services for an undisclosed amount of cash. The transaction, according to a spokesman for CSX, is expected to be finalized in the spring. The sale will bring to 23 the number of aviation service facilities owned and operated by Aero Services, making it the third largest FBO chain in the U.S. behind Butler Aviation and Beech Aircraft's network of FBOs.

No major changes concerning employes or management as a result of the sale are expected. International FBO Network, formed by Aero Services International, Beckett Aviation, and Innotech Aviation Ltd., of Canada in April, 1983 *(BA, April 25, 1983/133)* is also expected to function as it has in the past. Innotech's FBO operations were taken over by Hudson General last year *(BA, Dec. 10/190)*.

Those FBOs being acquired by Aero Services are located at Midway Airport, Chicago; Cleveland-Hopkins International Airport, Cleveland; Arapahoe County Airport, Denver; William P. Hobby Airport, Houston; Palm Beach County Glades Airport, Pahokee Park, Fla.; Palm Beach International Airport, West Palm Beach; Oakland International Airport, Oakland; Greater Pittsburgh International Airport, Pittsburgh; Robert E. Byrd International Airport, Richmond, Va.; Scottsdale Municipal Airport, Scottsdale, Ariz.; and Youngstown Municipal Airport, Youngstown, Ohio.

PIPER CLOSING LAKELAND, CONSOLIDATING PRODUCTION AT VERO BEACH

Piper Aircraft Corp. told employes at its Lakeland, Fla. production facility last Wednesday it plans to close that plant and consolidate all production operations at the Vero Beach facility by this fall. Robert J. Wyma, Lear Siegler Inc. corporate vice president in charge of Piper's Aircraft Group, said that despite earlier consolidation moves that resulted in the closure of all Piper facilities in Pennsylvania "we still find ourselves with a considerable excess of production capacity and too large an investment in physical plant facilities." Wyma said the decision to close the Lakeland plant "was made with great difficulty and deep regret, but given the heavy losses we have sustained the past three years, and the lack of any foreseeable recovery in the sales picture, it was the only reasonable" move.

Production at the Lakeland plant, which began operations in 1972, will be phased out over an eight-month period through Oct. 1. Wyma noted that production of the Cheyenne 400LS and Cheyenne IIIA turboprops will continue at Lakeland through S/N 40 and 36 respectively, before production of those models is moved to Vero Beach. A company statement said "production of these and other Cheyenne business-class propjet models will be transferred to Vero Beach."

Exactly what the Piper product line will include after consolidation of operations at Vero Beach is unclear, however. Wyma and other Lear Siegler officials indicated clearly at last year's National Business Aircraft Association convention *(BA, Oct. 8/115)* that they will not hesitate to drop unprofitable models. Since LSI took control of Piper in early 1984 the Aerostar and Turbo Saratoga models have been eliminated. Four models that had been built in Lock Haven, Pa. before that plant was closed—the T-1040, Mojave, and Cheyenne IA and IIXL—have not been put into production in Florida, although that may have been due

(Continued on the following page)

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BUSINESS AVIATION BRIEFS

ROBERT A. TRUSELA, 55, senior vice president sales and service for the Garrett Corp., died Jan. 23 of an apparent stroke. Garrett officials were shocked by his death because he had not been ill and appeared to be feeling fine the previous day. Trusela was a 24-year veteran of Garrett and had been named to his current post just last October *(BA, Sept. 24/101).* A former Air Force officer who held degrees from West Virginia University and Purdue, Trusela started with Garrett in 1950 and held a variety of government relations and marketing posts with the company.

* * *

CANADAIR said it delivered the first of seven Challenger 601 aircraft ordered by the Federal Republic of Germany to the West German government last week *(BA, Aug. 20/58).* Aircraft was officially handed over at a Dornier facility near Munich. Under terms of the contract, Dornier will install additional avionics, the interior and paint the plane. Aircraft is scheduled to be turned over to the Luftwaffe in the first quarter of 1986. Last week's delivery brings to 114 the number of Challengers delivered since the program began.

* * *

HOUSE REPUBLICAN RESEARCH COMMITTEE has published a 70-page report that suggests transferring operation of the nation's air traffic control system to the private sector. The report, *Ideas For Tomorrow, Choices For Today,* said the Transportation Department should be directed "to study proposals to transfer operation of the air traffic control system from the Federal Aviation Administration to the private sector. Such a study should look at potential effects on air safety."

* * *

OFFSHORE NAVIGATION INC. has signed a contract with the Civil Aviation Administration of China for ONI's Flite Trak equipment to be used for air traffic control and search and rescue operations in conjunction with offshore helicopter operations in the Pearl River/Hainan areas. Deliveries are scheduled to begin this spring, with the system expected to be operational by early summer.

* * *

FEDERAL AVIATION ADMINISTRATION, in cooperation with the Air Traffic Control Association and the National Aeronautics Association, is sponsoring the second annual National Aviation Education Essay Contest. Open to students in grades four through 12, the deadline for entries is March 15. The subject of this year's contest is "The Importance of Airports to Your Community." Contest entries will be judged on three levels: intermediate (grades 4-6), junior (grades 7-9), and senior (grades 10-12). State winners will be selected and will compete with those from other states for regional titles, and ultimately national winners will be chosen. Prizes, furnished by the Air Traffic Control Association and the National Aeronautics Association will also be divided into the three categories: senior, $1,500, junior, $500, intermediate, $500.

* * *

EAGLE AERO INC. has been designated by Fairchild Aircraft Corp. to establish distribution of Merlin/Metro aircraft spare parts in Pittsburgh, Pa. and Phoenix, Ariz. Pittsburgh facility is presently in full operation and inventory has been ordered for a new location on the Sky Harbor Airport grounds in Phoenix. The facility's scheduled start-up date is March 1.

* * *

WEB AGENCY has moved to a new office location in Oklahoma City, Okla. Mailing address is The Web Agency, Communications Center, P.O. Box 57000, Oklahoma City, Okla. 73157. Shipping address is The Web Agency, Communications Center, 3900 N.W. 39th Expw., Suite 104E, Oklahoma City, Okla. 73112. Phone and telex numbers remain the same.

* * *

GENERAL AVIATION MANUFACTURERS ASSOCIATION, for 1984, reported total billings of just under the $1.7 billion previously forecast. The figure is a 15.6 percent increase over the 1983 figure of slightly more than $1.9 million. Unit shipments fell 9.4 percent from 1983's 2,691 shipments to 2,438 in 1984. Charts detailing these figures can be found *on the back of this page and Page 31.*

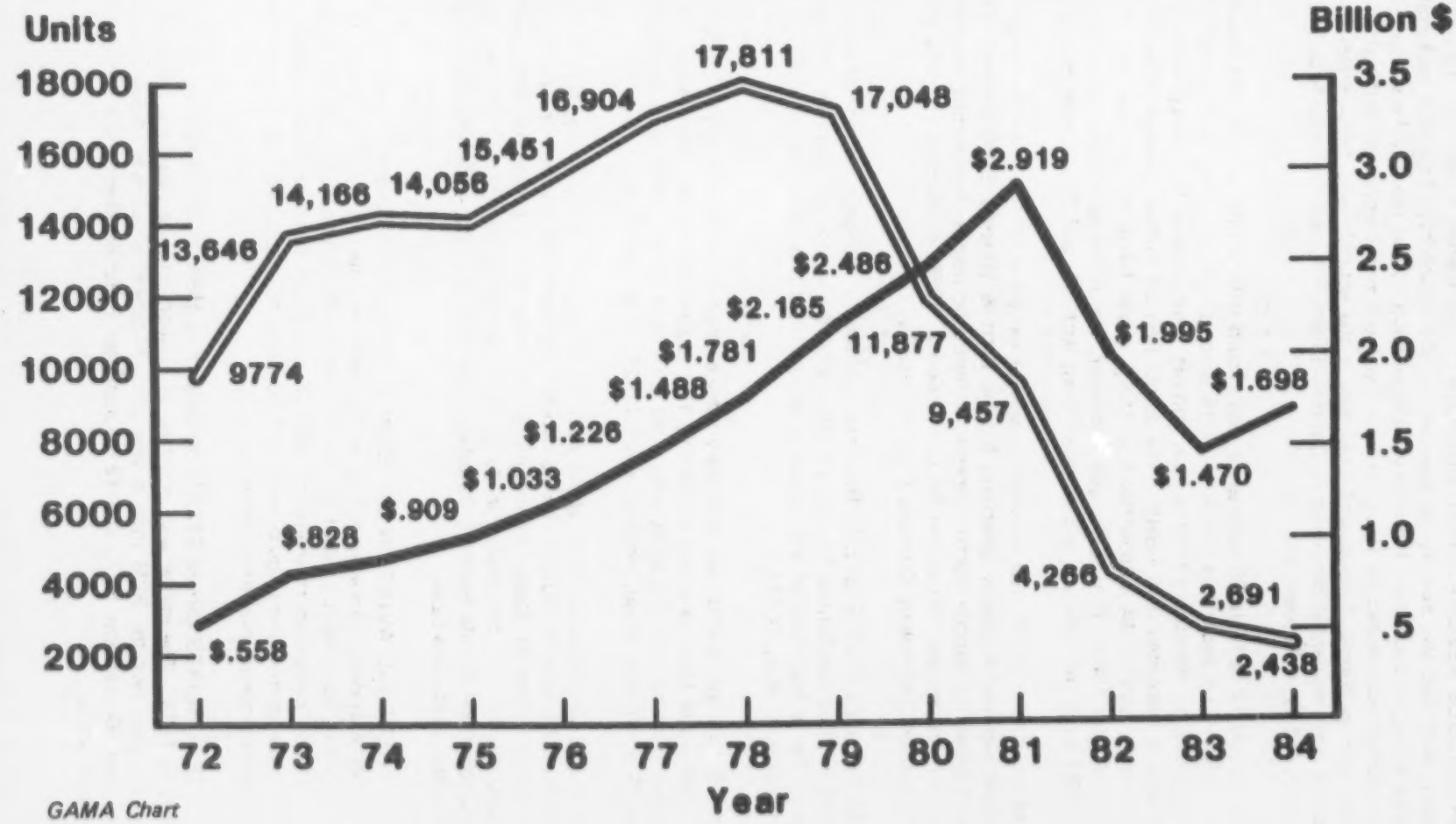
GAMA SHIPMENTS FOR 1984

	Units	Value (Millions)
Single-Engine	1621	$149
Multi-Engine	374	$135
Turboprop	272	$443
Jets	171	$971
Total	2438	$1.7 Billion

GAMA Chart

3/a

GENERAL AVIATION
UNIT SHIPMENTS/BILLINGS



GAMA Chart

C9700-3

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1156 15th STREET, N.W./WASHINGTON, D.C. 20005
PHONE: (202) 822-4600/TELEX: 89-2447

Vol. 40 No. 6 February 11, 1985 Page 41

INSIDE

Commuter Crash Kills Nine ..... Page 42
Flight Line Suspends Operations ..... Page 43
Wyma Discusses Piper Plans ..... Page 44
Business Aviation Briefs ..... Page 45
Marketplace ..... Page 48

GAMA TO REAGAN: VIABILITY OF GENERAL AVIATION INDUSTRY IS AT RISK

General Aviation Manufacturers Association, in a letter to President Ronald Reagan, has urged him to reject proposed tax changes that would eliminate the investment tax credit (ITC) and extend the accelerated cost recovery schedule (ACRS) from five to 12 years. Those changes were proposed in a "tax simplification" package prepared by the Treasury Department *(BA, Dec. 3/177)*.

The letter, approved by GAMA's board of directors, cited a study by Data Resources Inc. that found "the after-tax cost of using capital for aircraft acquisitions under the Treasury proposal, would increase 12.3 percent per year," resulting in "a slowdown in economic growth, productivity and employment." The GAMA letter, *which is reprinted on the back of Pages 42-43*, said, "History show that in 1966-67 and again in 1969-71, when investment credit was denied, the negative impact on business was dramatic. We, as an industry, face much greater challenges today than we did then. In fact, the viability of an American institution—the general aviation industry—is at risk. We need your help."

DOT BUDGET WOULD ELIMINATE EAS, TRUST FUND PENALTY PROVISION

Fiscal 1986 budget proposal by the Transportation Department seeks elimination of the Essential Air Service program DOT just inherited from the Civil Aeronautics Board, along with a Congressionally mandated safeguard designed to insure that FAA airport and facilities and equipment programs are fully funded. While the budget proposal calls for spending nearly the same amount of money on FAA programs in fiscal 1986 as in fiscal 1985, legislation to be offered by DOT would eliminate a requirement that now limits the amount of money available from the Aviation Trust Fund for FAA operations and maintenance if spending for hardware programs falls below Congressionally authorized levels.

Transportation Secretary Elizabeth Dole, reflecting the White House theme that "we should return to the private sector those transportation functions best managed in the free market," said "federal funds should be devoted only to those needs that are truly national in scope or that cannot be met by state and local authorities." Congress authorized continuation of the EAS program through fiscal 1988 when it passed the Airline Deregulation Act, but Dole defended termination of the program in the coming fiscal year. She said EAS "was a bridge from a regulated to a deregulated environment" and that communities receiving EAS service "have had an opportunity to adjust." She also said that one half of the points receiving EAS service are within 100 miles of an alternate airport.

DOT is requesting a total of $5.1 billion for FAA in 1986, down $200 million from the $5.3 billion in the current fiscal year. Proposed spending for major program areas, with fiscal 1985 amounts in parentheses, are: operations and maintenance, $2.65 billion ($2.60 billion); airport grants, $1.01 billion ($987 million); facilities and equipment, $1.14 billion ($1.36 billion); and, research, engineering and development, $196 million ($265 million). Total spending for those programs would be $4.996 billion, of which $4.336 billion, or 86.7 percent, would come from the Aviation Trust Fund, which is funded by various taxes on aviation users. Of the total $5.13 billion FAA budget, $4.4 billion, or 85.7 percent would come from the Trust Fund—including $49 million to help defray the $85 million cost of FAA headquarters administration—

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AIRPORT AND AIRWAY TRUST FUND
Status As Of Nov. 30, 1984

	CURRENT MONTH	FISCAL YEAR TO DATE
I. BALANCE - BEGINNING OF PERIOD	6,556,558,204.21	6,440,835,770.41
II. RECEIPTS:		
A. Excise Taxes (Transferred from General Fund) :		
Any liquid fuel except gas	2,827,299.00	9,827,299.00
Tires used on aircraft	0.00	0.00
Tubes used on aircraft	0.00	0.00
Gasoline		
1. Commercial 9 cents tax	217,000.00	449,000.00
2. Non-commercial 9 cents tax	1,135,384.00	3,627,384.00
3. Non-commercial 3 cents tax	-73,872.00	757,128.00
4. Transp by air,seats,berths,etc.	215,460,730.00	418,460,730.00
Use of international trav fac	7,559,424.00	15,559,424.00
Transp of property and cargo	9,535,089.00	24,535,089.00
Total Tax Receipts	236,661,054.00	473,216,054.00
B. Less Reimbursement to General Fund - Refund of Taxes and Estimated Tax Credits :		
1. Civil aircraft	333.00	333.00
2. Any liquid fuel except gas	2,346,988.00	2,346,988.00
3. Gasoline -Retailer's tax	537.00	537.00
Total Reimburse for Tax Refunds	2,347,858.00	2,347,858.00
Net Tax Receipts	234,313,196.00	470,868,196.00
C. Interest on Investments	11,589,763.21	14,701,294.52
Net Receipts	245,902,959.21	485,569,490.52
III. EXPENDITURES :		
A. Federal Aviation Administration :		
1. Operations	104,999,930.34 1/	104,999,850.39
2. Grants-in-aid for airports	71,282,823.84	152,575,933.76
3. Facilities & equipment	31,958,905.38	57,864,266.58
4. Research engineering & development	18,000,029.02	34,745,735.36
B. NOAA weather services	0.00	0.00
C. Interest on Refund of Taxes	47.00	47.00
Total Expenditures	226,241,735.58	350,185,833.09
IV. BALANCE - END OF PERIOD	6,576,219,427.84	6,576,219,427.84
ASSETS :		
Undisbursed Balances:		
Airport & Airway Trust Fund	940.33	
Operations	4,036.68 1/	
Grants-in-aid for Airports	16,088,989.45	
Facilities & Equipment	4,476,243.12	
Research Engineering & Development	5,022,218.26	
NOAA weather services	0.00	
		25,592,427.84
Investments :		
U.S. TREASURY CERTIFICATES OF INDEBTEDNESS :		
11-1/4% maturing June 30, 1985	236,009,000.00	
11-1/8% maturing June 30, 1985	5,840,405,000.00	
11-3/8% maturing June 30, 1985	474,213,000.00	6,550,627,000.00
Total Assets		6,576,219,427.84
LIABILITIES:		0.00
EQUITY:		
Excess of Assets over Liabilities		6,576,219,427.84
Total Liabilities and Equity		6,576,219,427.84

1/ Does not agree with TFS-6653 due to processing error

Treasury Department Chart

C9700-3

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KATHRYN BLEDSOE/ASSISTANT EDITOR
1156 15th STREET, N.W./WASHINGTON, D.C. 20005
PHONE: (202) 822-4600/TELEX: 89-2447

Vol. 40 No. 7 February 18, 1985 Page 49

INSIDE

Ansett, DLT Order Fokker 50s .....Page 51

Piper Interview: Part Two .....Page 52

January Shipments and Billings .....Page 53

Business Aviation Briefs .....Page 54

Marketplace .....Page 56

GLICKMAN URGES REVISION OF FRINGE BENEFIT REGULATIONS

In a letter to Roscoe L. Egger, Jr., commissioner of the Internal Revenue Service, Rep. Dan Glickman (D-Kan.) urged revision of regulations dealing with taxation of fringe benefits such as non-business flights on corporate aircraft. Calling the computation of the value of such flights, as outlined in the IRS rules, "extremely unfair and . . . punitive by design," Glickman said that taxing an individual for a flight that is both business and personal at a rate equal to three times first class airfare is "outside all bounds of reasonableness." In the letter *(which is printed on the back of Page 50)*, Glickman said it was evident that the "regulations were crafted based on a fundamental misconception about the use of corporate aircraft," and if allowed to become permanent would make it "much more difficult for this industry to pull out of its severe slump."

OMB DIRECTS FAA TO STUDY ELIMINATION OF FEDERAL FSS SERVICES

Office of Management and Budget has directed FAA to study the concept of eliminating federally operated flight service stations, leaving private vendors to supply information now provided by the FSS network. "Our understanding of what OMB wants," an FAA spokesman said, is that FAA "would just get out of the business and let private firms come in and provide service on a fee basis."

Details of the OMB-ordered study, which is expected to encounter strenuous opposition from both aviation interests and Congress, were revealed last week in a memo FAA Administrator Donald Engen sent to the agency's FSS personnel. Engen said FAA has been ordered to "study the privatization of flight service stations." While emphasizing that "no one should be concerned that a decision of this significance is imminent, or that privatization of flight service stations is a foregone conclusion," he acknowledged that privatization of the FSS program was identified as one way of reducing federal costs.

The study will be performed by a private contractor and is expected to be completed by mid-May. Engen said that study "will discuss feasibility of such a transfer only, that is the advantages and disadvantages of privatization. It will contain no recommendations. That aspect of the project will be undertaken solely by FAA employes" with resulting recommendations to be sent to DOT Secretary Elizabeth Dole

"It goes without saying that because privatization will move the system to a 'pay-for-service' concept, that we would have to look carefully at safety implications that might result because a pilot might choose not to pay and to fly without obtaining important information," Engen said. "Safety is, and will always remain the primary concern of the FAA." Despite the privatization study, Engen said FAA is proceeding with its FSS modernization/consolidation program "based on my belief that the agency must not place the entire FSS modernization program, and you, in limbo while we await decisions on privatization."

NEW RULES PROPOSED FOR ELECTRONIC ENGINE CONTROL SYSTEMS

Federal Aviation Administration has proposed the addition of a new section to Part 33 of the *Federal Aviation Regulations* "to establish requirements for the certification of electronic aircraft engine control systems" on aircraft. FAA said such systems have already been developed for turbine engines and the po-

(Continued on the following page)

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BUSINESS/PERSONAL AIRCRAFT INDUSTRY – JANUARY UNIT SHIPMENTS

		Jan. 85	Cal. Year
BEECH AIRCRAFT CORP.			
• Single-Engine			
BE-77	Skipper	0	0
BE-C23	Sundowner	0	0
BE-C24R	Sierra	0	0
BE-F33A	Bonanza	1	1
BE-V35B	Bonanza	0	0
BE-A36	Bonanza	5	5
BE-B36TC	Bonanza	0	0
• Multi-Engine			
BE-B55	Baron	0	0
BE-E55	Baron	0	0
BE-58	Baron	1	1
BE-58TC	Baron	0	0
BE-58P	Baron	2	2
BE-76	Duchess	0	0
BE-B60	Duke	0	0
BE-C99	Airliner	0	0
BE-C90-1	King Air	1	1
BE-F90-1	King Air	1	1
BE-B100	King Air	0	0
BE-200	Super King Air	1	1
BE-200C	Super King Air	0	0
BE-300	Super King Air	2	2
BE-200T	Super King Air	0	0
BE-C99	Commuter	0	0
BE-1900	Commuter	0	0
BE-1900C	Commuter	0	0
TOTAL		14	14
Manufacturers net billing – $10,980,029.50			
BRITISH AEROSPACE			
• Multi-Engine			
BAe	Jetstream 31	1	1
HS-748		0	0
BAe 146-100		0	0
BAe 146-200		0	0
HS-125-700	Model A	0	0
HS-125-700	Model B	0	0
HS-125-800	Model A	2	2
HS-125-800	Model B	0	0
TOTAL		3	3
PILATUS BRITTEN-NORMAN LTD.			
• Multi-Engine			
BN-2B	Islander	0	0
BN-2T	Islander	0	0
Mark III	Trislander	0	0
TOTAL		0	0
CANADAIR LTD.			
• Multi-Engine			
CL-600	Challenger	0	0
CL-601	Challenger	3	3
TOTAL		3	3
CESSNA AIRCRAFT CO.			
• Single-Engine			
CE-152		11	11
CE-A152	Aerobat	0	0
CE-172	Skyhawk	22	22
CE-172	Cutlass	0	0
CE-172RG	Cutlass	1	1
CE-182	Skylane	11	11
CE-182	Turbo Skylane	0	0
CE-182RG	Skylane RG	1	1
CE-182RG	Turbo Skylane RG	1	1
CE-185	Skywagon	2	2
CE-U206	Stationair 6	5	5
CE-TU206	Turbo Stationair 6	2	2
CE-207	Stationair 8	0	0
CE-TU207	Turbo Stationair 8	0	0
CE-210	Centurion	0	0
CE-T210	Turbo Centurion	0	0
CE-P210	Pressurized Centurion	0	0
CE-188	AgHusky	0	0
CE-188	AgTruck	0	0
• Multi-Engine			
CE-303	Crusader	1	1
CE-335		0	0
CE-340		0	0
CE-402		1	1
CE-404	Titan	0	0
CE-414	Chancellor	0	0
CE-421	Golden Eagle	0	0
CE-425	Conquest I	4	4
CE-441	Conquest II	1	1
CE-500	Citation I	0	0
CE-550	Citation II	0	0
CE-550S/II	Citation II	2	2
CE-650	Citation III	1	1
CESSNA/REIMS AVIATION			
• Single-Engine			
CE-F152		1	1
CE-F152	Aerobat	0	0
CE-F172	Skyhawk	0	0
CE-FR172	Hawk XP	0	0
CE-F182	Skylane	0	0
CE-F182RG	Skylane RG	0	0
TOTAL		67	67
Manufacturers net billing – $22,508,508			
AVIONS-MARCEL DASSAULT			
• Multi-Engine			
AD-My.10	Falcon	0	0
AD-My.20	Falcon	0	0
AD-My.200	Falcon	3	3
AD-My.50	Falcon	1	1
TOTAL		4	4
DEHAVILLAND AIRCRAFT OF CANADA			
• Multi-Engine			
DHC-5		0	0
DHC-6		0	0
DHC-7		1	1
TOTAL		1	1
EMBRAER			
• Single-Engine			
EMB-200		0	0
EMB-201	Ipanema	3	3
EMB-710	Carioca (PA-28-235 Dakota)	2	2
EMB-711	Corisco (PA-28RT-201 Arrow)	0	0
EMB-712	Tupi (PA-28-181 Archer II)	0	0
EMB-720	Minuano (PA-32-310 Seratoga)	0	0
EMB-721	Sertanejo (PA-32R-301 Seratoga)	0	0
• Multi-Engine			
EMB-110P	Bandeirante	6	6
EMB-110P1A	Bandeirante	0	0
EMB-121	Xingu	1	1
EMB-810D	Seneca II	1	1
EMB-820	Chieftain	1	1
TOTAL		14	14
FAIRCHILD AIRCRAFT CORP.			
• Multi-Engine			
Merlin III-C		0	0
Fairchild 300		0	0
Merlin IV-C		0	0
Metro III		0	0
Expediter		0	0
TOTAL		0	0
GATES-LEARJET			
• Multi-Engine			
LR-25D		0	0
LR-29		0	0
LR-35A		0	0
LR-36A		0	0
LR-55		0	0
TOTAL		0	0
GULFSTREAM AEROSPACE			
• Multi-Engine			
GR-1159A	Gulfstream III	0	0
AE-840	Turbo Commander	0	0
AE-900	Commander 900	0	0
AE-980		0	0
AE-1000		0	0
TOTAL		0	0

		Jan. 85	Cal. Year
ISRAEL AIRCRAFT INDUSTRIES			
• Multi-Engine			
1124	Westwind 1	0	0
1124A	Westwind 2	0	0
TOTAL		0	0
LAKE AIRCRAFT			
• Single-Engine			
LA-4-200EP		2	2
LA-250	Renegade	1	1
TOTAL		3	3
MAULE AIR INC.			
• Single-Engine			
M-5-180C		1	1
M-5-200		0	0
M-5-235C	Lunar Rocket	1	1
M-6-235		0	0
M-7-235	Super Rocket	1	1
TOTAL		3	3
Manufacturers net billing -- $119,436			
MITSUBISHI			
• Multi-Engine			
Solitaire		0	0
Marquise		0	0
Diamond		1	1
TOTAL		1	1
MOONEY AIRCRAFT CORP.			
• Single-Engine			
M-20J	201	7	7
M-20K	231	1	1
TOTAL		8	8

		Jan. 85	Cal. Year
PIPER AIRCRAFT CORP.			
• Single-Engine			
PA-38-112	Tomahawk	0	0
PA-28-161	Warrior	5	5
PA-28-181	Archer II	7	7
PA-28-236	Dakota	1	1
PA-28RT-201	Arrow IV	0	0
PA-28RT-201T	Turbo Arrow IV	4	4
PA-32-301	Saratoga	3	3
PA-32-301T	Turbo Saratoga	0	0
PA-32R-301	Saratoga SP	0	0
PA-32R-301T	Turbo Saratoga SP	1	1
PA-46-310P	Malibu	7	7
• Multi-Engine			
PA-31-310	Navajo	0	0
PA-31-325	Navajo C/R	0	0
PA-31-350	Chieftain	0	0
PA-31P-350	Mojave	2	2
PA-31T-500	Cheyenne I	0	0
PA-31T-500	Cheyenne IA	1	1
PA-31T-620	Cheyenne II	0	0
PA-31T2-620	Cheyenne IIXL	0	0
PA-42-720	Cheyenne III	0	0
PA-42-720	Cheyenne IIIA	0	0
PA-42-400LS	Cheyenne	2	2
PA-34-220T	Seneca III	4	4
PA-44-180	Seminole	0	0
PA-44-180T	Turbo Seminole	0	0
PA-601B	Aerostar	0	0
PA-601P	Aerostar	0	0
PA-602P	Aerostar	0	0
PA-700P	Aerostar	3	3
PA-T1020		0	0
PA-T1040		0	0
TOTAL		40	40
Manufacturers net billing -- $10,846,296			
SHORT BROTHERS LTD.			
• Multi-Engine			
SBJ-CS-7	Skyvan	0	0
SD-3-30		0	0
SD-3-60		1	1
TOTAL		1	1
	SINGLE-ENGINE	110	110
	MULTI-ENGINE	52	52
	GRAND-TOTAL	162	162

UNIT SHIPMENTS COMPARATIVE TREND: 18 MANUFACTURERS

	January			Calendar Year to Date		
	1985	1984	1983	1985	1984	1983
Beech	14	37	16	14	37	16
British Aerospace	3	1	1	3	1	1
Britten Norman	0	0	0	0	0	0
Canadair	3	2	*	3	2	*
Cessna	67	54	101	67	54	101
Dassault	4	0	4	4	0	4
DeHavilland	1	2	*	1	2	*
Embraer	14	14(5)	11(5)	14	14(5)	11(5)
Fairchild	0	2	1	0	2	1
Gates	0	0	2	0	0	2
Gulfstream	0	4	2	0	4	2
Israel	0	0	0	0	0	0
Lake	3	1	1	3	1	1
Maule Aircraft Inc.	3	2	3	3	2	3
Mitsubishi	1	1	2	1	1	2
Mooney	8	6	12	8	6	12
Piper	40	33	71	40	33	71
Short	1	1	1	1	1	1
TOTAL	162	160	228	162	160	228

Parenthes.* show actual Embraer deliveries, not including aircraft kits.
* Figures not available.